

The Industrial Development Bank is intended to supplement the activities of other lending agencies, not to compete with them, and the Act of incorporation requires that it should extend credit only when the Board of Directors is of the opinion that similar credit would not be available elsewhere on reasonable terms and conditions. The Bank is specifically prohibited from engaging in the business of deposit banking.

2.—Authorized and Outstanding Loans and Investments of the Industrial Development Bank, by Province, Size and Industry, as at Mar. 31, 1953

Province	Authorized	Outstanding	Industry	Authorized	Outstanding
	\$	\$		\$	\$
Newfoundland.....	—	—	Foods and beverages.....	5,514,113	3,607,624
Prince Edward Island.....	90,000	60,467	Rubber goods.....	50,000	10,000
Nova Scotia.....	699,250	409,715	Leather products.....	1,002,500	382,217
New Brunswick.....	1,290,721	1,026,542	Textile products (except clothing).....	3,677,625	2,633,284
Quebec.....	23,764,359	16,112,449	Clothing (textiles and fur)	1,426,650	886,000
Ontario.....	12,725,862	9,068,101	Wood products.....	7,605,752	5,699,681
Manitoba.....	1,811,050	957,967	Paper products (including pulp).....	4,056,400	3,845,158
Saskatchewan.....	3,545,348	2,006,478	Printing, publishing and allied industries.....	752,500	351,125
Alberta.....	1,674,200	961,521	Iron and steel products (including machinery and equipment).....	5,371,180	3,474,322
British Columbia ¹	8,064,685	6,589,580	Transportation equipment	2,756,664	1,875,341
Canada.....	53,665,475	37,192,820	Non-ferrous metal products	450,500	360,443
			Electrical apparatus and supplies.....	2,705,106	1,091,721
			Non-metallic mineral products.....	2,647,090	1,857,525
			Petroleum and coal products.....	2,965,000	1,497,744
			Chemical products.....	7,019,692	5,795,922
			Miscellaneous manufacturing industries.....	970,000	520,764
			Refrigeration.....	3,520,703	2,693,949
			Generating or distributing electricity.....	250,000	80,000
			Commercial air services..	924,000	530,000
			Totals.....	53,665,475	37,192,820
Size of Loan	Authorized	Credits			
	\$	No.			
\$5,000 or under.....	56,200	15			
\$5,001 to \$25,000.....	3,744,338	244			
\$25,001 to \$50,000.....	4,863,377	123			
\$50,001 to \$100,000.....	8,042,038	107			
\$100,001 to \$200,000.....	9,711,208	65			
\$200,001 or over.....	27,248,314	46			
Totals.....	53,665,475²	600			

¹ Includes the Yukon and Northwest Territories. ² Because of partial repayments on account of current authorizations, the net authorizations were \$44,177,884 of which those in excess of \$200,000 totalled \$23,946,837.

Section 2.—Currency

Subsection 1.—Notes and Coinage

Note Circulation.—The development by which bank notes became the chief circulating medium in Canada prior to 1935 is described in the 1938 Year Book, pp. 900-905. The main steps of this development that remained as permanent features of the system are outlined in the 1941 Year Book, pp. 809-810.

When the Bank of Canada commenced operations in 1935 it assumed liability for Dominion notes outstanding. These were replaced in public circulation and partly replaced in cash reserves by the Bank's legal tender notes in denominations of \$1, \$2, \$5, \$10, \$20, \$50 and \$100. Deposits of chartered banks at the Bank of Canada completed the replacement of the old Dominion notes of \$1,000 to \$50,000 denomination that had previously been used as cash reserves.

The chartered banks were required under the Bank Act of 1934 to reduce gradually the issue of their own bank notes during the years 1935-45 to an amount not in excess of 25 p.c. of their paid-up capital on Mar. 11, 1935. Bank of Canada notes thus replaced chartered bank notes as the issue of the latter was reduced. Further restrictions introduced by the 1944 revisions of the Bank Act cancelled the