Vol. 139, No. 15 — April 9, 2005

GOVERNMENT NOTICES

BANK OF CANADA

FINANCIAL STATEMENTS (YEAR ENDED DECEMBER 31, 2004)

FINANCIAL REPORTING RESPONSIBILITY

The accompanying financial statements of the Bank of Canada have been prepared by management in accordance with Canadian generally accepted accounting principles and contain certain items that reflect best estimates and judgment of management. The integrity and reliability of the data in these financial statements is management's responsibility. Management is responsible for ensuring that all information in the *Annual Report* is consistent with the financial statements.

In support of its responsibility, management has developed and maintains financial and management control systems and practices to provide reasonable assurance that transactions are properly authorized and recorded, that financial information is reliable, that the assets are safeguarded and liabilities recognized, and that the operations are carried out effectively. The Bank has an internal Audit Department, whose functions include reviewing internal controls, including accounting and financial controls and their application on an ongoing basis.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises this responsibility through the Audit Committee of the Board. The Audit Committee is composed of members who are neither officers nor employees of the Bank and who are financially literate. The Audit Committee is therefore qualified to review the Bank's annual financial statements and to recommend their approval by the Board of Directors. The Audit Committee meets with management, the Chief Internal Auditor, and the Bank's external auditors who are appointed by Order-in- Council. The Audit Committee has established processes to evaluate the independence of the Bank's external auditors and reviews all services provided by them. The Audit Committee has a duty to review the adoption of, and changes in, accounting principles and procedures that have material effect on the financial statements, and to review and assess key management judgments and estimates material to the reported financial information.

These financial statements have been audited by the Bank's external auditors, Deloitte & Touche LLP and Ernst & Young LLP, and their report is presented herein. The external auditors have full and unrestricted access to the Audit Committee to discuss their audit and related findings.

Ottawa, Canada

D. A. DODGE
Governor

S. VOKEY, CA
Chief Accountant

AUDITORS' REPORT

To the Minister of Finance, registered shareholder of the Bank of Canada

We have audited the balance sheet of the Bank of Canada as at December 31, 2004, and the statement of revenue and expense for the year then ended. These financial statements are the responsibility of the Bank's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Bank as at December 31, 2004, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

The financial statements as at December 31, 2003, and for the year then ended were audited by Deloitte & Touche LLP and Raymond Chabot Grant Thornton, General Partnership who expressed an opinion without reservation in their report dated January 20, 2004.

Ottawa, Canada, January 21, 2005

DELOITTE & TOUCHE LLP
Chartered Accountants

ERNST & YOUNG LLP

Chartered Accountants

BANK OF CANADA

Statement of revenue and expense

Year ended December 31, 2004

	2004	2003
	Millions of dollars	
REVENUE		
Revenue from investments, net of interest paid on deposits of $38.2 million ($42.4 million in 2003)	1,928.9	1,971.5
EXPENSE by function (notes 1 and 3)		
Monetary policy	54.3	54.6
Currency	115.7	101.9
Financial system	26.6	24.4
Funds management	31.3	31.0
	227.9	211.9
Retail debt services — expenses	53.8	63.8
Retail debt services — recoveries	(53.8)	(63.8)
	227.9	211.9
NET REVENUE PAID TO RECEIVER GENERAL FOR CANADA	1,701.0	1,759.6

(See accompanying notes to the financial statements.)

BANK OF CANADA

Balance sheet

As at December 31, 2004

ASSETS	2004	2003
	Millions of dollars	
Deposits in foreign currencies		
U.S. dollars	507.2	532.9
Other currencies	5.5	8.4
	512.7	541.3

Advances to members of the Canadian Payments Association	0.5	—
Investments (note 4)		
Treasury bills of Canada	13,628.8	12,511.2
Other securities issued or guaranteed by Canada maturing within three years	9,153.9	8,534.3
Other securities issued or guaranteed by Canada not maturing within three years	20,408.1	20,130.5
Other investments	2.6	2.6
	43,193.4	41,178.6
Bank premises (note 5)	129.3	130.9
Other assets		
Securities purchased under resale agreements	2,519.1	1,902.1
All other assets (note 6)	375.8	365.0
	2,894.9	2,267.1
	46,730.8	44,117.9

(See accompanying notes to the financial statements.)

BANK OF CANADA

LIABILITIES AND CAPITAL	2004	2003
	Millions of dollars	
Bank notes in circulation (note 7)	44,240.6	42,190.6
Deposit		
Government of Canada	1,062.7	533.0
Banks	382.1	359.5
Other members of the Canadian Payments Association	118.8	140.8
Other deposits	382.8	337.2
	1,946.4	1,370.5
Liabilities to the Government of Canada		
U.S. dollars	383.5	403.0
Other liabilities		
All other liabilities	130.3	123.8
	46,700.8	44,087.9
Capital		
Share capital (note 8)	5.0	5.0

Statutory reserve (note 9)	25.0	25.0
	30.0	30.0
	46,730.8	44,117.9

D. A. DODGE
Governor

S. VOKEY, CA
Chief Accountant

J. S. LANTHIER, CM, FCA
Chair, Audit Committee and Lead Director

A. LANDRY, Q.C.
Chair, Planning and Budget Committee

On behalf of the Board

(See accompanying notes to the financial statements.)

BANK OF CANADA

Notes to the financial statements

Year ended December 31, 2004

(Amounts in the notes to the financial statements are in millions of dollars, unless otherwise stated.)

1. *The business of the Bank*

The Bank of Canada's responsibilities focus on the goals of low and stable inflation, a safe and secure currency, financial stability, and the efficient management of government funds and public debt. These responsibilities are carried out as part of the broad functions described below. Expenses in the *Statement of revenue and expense* are reported on the basis of these five corporate functions as derived through the Bank's allocation model.

Monetary policy

> Contributes to solid economic performance and rising living standards for Canadians by keeping inflation low, stable, and predictable.

Currency

> Designs, produces, and distributes Canada's bank notes, focusing on counterfeit deterrence through research on security features, public education, and partnership with law enforcement; replaces and destroys worn notes.

Financial system

Promotes safe, sound, and efficient financial system, both within Canada and internationally.

Funds management

Provides high-quality, effective, and efficient funds-management services for the government, as its fiscal agent; for the Bank; and for other clients.

Retail debt services

Ensures that all holders of Canada Savings Bonds, Canada Premium Bonds, and Canada Investment Bonds have their information registered and their accounts serviced through efficient operations and systems support. The Bank recovers the cost of retail debt operations from the Canada Investment and Savings Agency.

In accordance with the *Bank of Canada Act*, the net revenue of the Bank is remitted to the Receiver General for Canada.

2. *Significant accounting policies*

The financial statements of the Bank are in accordance with Canadian generally accepted accounting principles (GAAP) and conform to the disclosure and accounting requirements of the *Bank of Canada Act* and the Bank's bylaws. A cash flow statement has not been prepared since the liquidity and cash position of the Bank and other cash flow information regarding the Bank's activities may be derived from the *Statement of revenue and expense* and the *Balance sheet*.

The significant accounting policies of the Bank are

(*a*) Accounting estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and the notes to the financial statements. These estimates, mostly in the area of pension and other employee future benefits, are based on management's best knowledge of current events. Actual results may differ from those estimates.

(*b*) Revenues and expenses

Revenues and expenses are accounted for on an accrual basis.

(*c*) Employee benefit plans

The Bank sponsors a number of defined-benefit plans that provide pension and other post-retirement and post-employment benefits to its eligible employees. The Bank accrues its obligations under these benefit plans and the related costs, net of plan assets. The costs and the obligations of the plans are actuarially determined using the projected benefit method and using management's best estimate of the expected investment performance of the plans, salary escalation, retirement ages of employees, and expected health care costs.

The benefit plan expenses (income) for the year consist of the current service cost, the interest cost, the expected return on plan assets, and the amortization of unrecognized past service costs, actuarial losses (gains) as well as the transitional obligation (asset). Calculation of the expected return on assets for the year is based on the market value of plan assets using a market-related value approach. The market-related value of plan assets is determined using a methodology where the difference between the actual and expected return on the market value of plan assets is amortized over five years.

The excess of the net accumulated actuarial loss (gain) over 10% of the greater of the benefit obligation and the market-related value of plan assets is amortized over the expected average remaining service lifetime (EARSL) of plan members. Past service costs arising from plan amendments are deferred and amortized on a straight-line basis over the EARSL at the date of amendments.

On January 1, 2000, the Bank adopted the new accounting standard on employee future benefits using the prospective application method. The initial transitional balances are amortized on a straight-line basis over the EARSL, as at the date of adoption. The EARSL has been determined to be 12 years for the pension plans and for the long-service benefit program, 14 years for the post-retirement health care plan, and 7 years for post-employment benefits plans.

(*d*) Translation of foreign currencies

Assets and liabilities in foreign currencies are translated to Canadian dollars at the rates of exchange prevailing at the balance sheet dates. Investment income is translated at the rate in effect at the date of the transaction. The resulting gains and losses are included in the *Statement of revenue and expense*.

(*e*) Advances

Advances to members of the Canadian Payments Association are liquidity loans that are fully collateralized and generally overnight in duration. The Bank charges interest on advances under the Large Value Transfer System (LVTS) at the Bank Rate.

(*f*) Investments

Investments, consisting mainly of Government of Canada treasury bills and bonds, are recorded at cost and are adjusted for amortization of purchase discounts and premiums using the constant-yield method for treasury bills and bankers' acceptances and the straight-line method for bonds. The amortization, as well as gains and losses on disposition, is included in the *Statement of revenue and expense* as revenue.

(*g*) Securities Lending Program

The Bank operates a Securities Lending Program to support the liquidity of Government of Canada securities by providing a secondary and temporary source of these securities to the market. These securities-lending transactions are fully collateralized and are generally overnight in duration. The securities loaned continue to be accounted for as investment assets. Lending fees charged by the Bank on these transactions are included in revenue at the date of the transaction.

(*h*) Bank premises

Bank premises, consisting of land, buildings, computer hardware/software, and other equipment, are recorded at cost less accumulated depreciation. Depreciation is calculated using the straight-line method and is applied over the estimated useful lives of the assets, as shown below.

Buildings	25 to 40 years
Computer hardware/software	3 to 7 years
Other equipment	5 to 15 years

(*i*) Securities purchased under resale agreements

Securities purchased under resale agreements are repo-type transactions in which the Bank offers to purchase Government of Canada securities from designated counterparties with an agreement to sell them back at a predetermined price on an agreed transaction date. These agreements are treated as collateralized lending transactions and are recorded on the balance sheet at the amounts at which the securities were originally acquired plus accrued interest.

(*j*) Deposits

The liabilities within this category are Canadian-dollar demand deposits. The Bank pays interest on the deposits for the Government of Canada, banks, and other financial institutions at market-related rates. Interest paid on deposits is included in the *Statement of revenue and expense*.

(*k*) Securities sold under repurchase agreements

Securities sold under repurchase agreements are reverse repo-type transactions in which the Bank offers to sell Government of Canada securities to designated counterparties with an agreement to buy them back at a predetermined price on an agreed transaction date. These agreements are treated as collateralized borrowing transactions and are recorded on the balance sheet at the amounts at which the securities were originally sold plus accrued interest.

(*l*) Insurance

The Bank does not insure against direct risks of loss to the Bank, except for potential liabilities to third parties and where there are legal or contractual obligations to carry insurance. Any costs arising from these risks are recorded in the accounts at the time they can be reasonably estimated.

3. *Expense by class of expenditure*

	2004	2003
Salaries	82.1	79.2
Benefits and other staff expenses	29.7	25.7
Currency costs	58.6	46.6
Premises maintenance	20.5	21.5
Services and supplies	83.9	93.4
Depreciation	17.0	19.3
	291.8	285.7
Recoveries		
Retail debt services	(53.8)	(63.8)
Other	(10.1)	(10.0)
	227.9	211.9

Recoveries represent the fees charged by the Bank for a variety of services.

4. *Investments*

	2004		
Securities	Amortized cost	Fair value	Average yield %
Treasury bills of Canada	13,628.8	13,634.1	2.6
Other securities issued or guaranteed by Canada maturing within 3 years	9,153.9	9,480.1	5.3
Other securities issued or guaranteed by Canada maturing in over 3 years but not over 5 years	5,910.4	6,271.1	5.2
Other securities issued or guaranteed by Canada maturing in over 5 years but not over 10 years	8,954.2	9,786.5	5.7
Other securities issued or guaranteed by Canada maturing in over 10 years	5,543.5	6,469.4	6.0
	43,190.8	45,641.2	
Shares in the Bank for International Settlements	2.6	200.4	
	43,193.4	45,841.6	

	2003		
Securities	Amortized cost	Fair value	Average yield %
Treasury bills of Canada	12,511.2	12,521.3	2.8

Other securities issued or guaranteed by Canada maturing within 3 years	8,534.3	8,842.5	5.4
Other securities issued or guaranteed by Canada maturing in over 3 years but not over 5 years	5,760.2	6,147.5	5.6
Other securities issued or guaranteed by Canada maturing in over 5 years but not over 10 years	9,027.9	9,749.5	5.8
Other securities issued or guaranteed by Canada maturing in over 10 years	5,342.4	6,026.9	6.2
	41,176.0	43,287.7	
Shares in the Bank for International Settlements	2.6	195.1	
	41,178.6	43,482.8	

The Bank typically holds its investments in treasury bills and bonds until maturity. The amortized book values of these investments approximate their par values. There were no securities loaned under the Securities Lending Program as at December 31, 2004.

The fair value of securities is based on quoted market prices.

In 1970, the Bank acquired 8 000 shares in the Bank for International Settlements (BIS) in order to participate in the BIS and in international initiatives generally. The shares are not traded and the fair value has been estimated based on information in the financial statements of the BIS and exchange rates prevailing at the balance sheet dates.

5. *Bank premises*

	2004			2003		
	Cost	Accumu-lated depre-ciation	Net book value	Cost	Accumu-lated depre-ciation	Net book value
Land and buildings	167.5	85.0	82.5	167.5	81.6	85.9
Computer hardware/ software	65.6	49.3	16.3	57.7	43.0	14.7
Other equipment	140.5	114.0	26.5	136.8	107.7	29.1
	373.6	248.3	125.3	362.0	232.3	129.7
Project in progress	4.0	-	4.0	1.2	-	1.2
	377.6	248.3	129.3	363.2	232.3	130.9

Projects in progress consist of capital improvements to the head-office building and the upgrade to the note processing system and other computer systems.

The replacement of the HR service delivery system was completed in 2004 and is included in the category *Computer hardware/software*.

6. *All other assets*

This category includes accrued interest on Canadian investments of $245.9 million ($257.9 million in 2003). It also includes the pension accrued benefit asset of $84.7 million ($78.6 million in 2003).

7. *Bank notes in circulation*

In accordance with the *Bank of Canada Act*, the Bank has the sole authority to issue bank notes for circulation in Canada.

The denominational breakdown is presented below.

	2004	2003
$5	891.0	826.9
$10	1,018.3	972.1
$20	13,729.7	12,856.2
$50	6,681.9	6,623.3
$100	19,919.6	18,731.5
Other bank notes	2,000.1	2,180.6
	44,240.6	42,190.6

Other bank notes include denominations that are no longer issued but remain as legal tender.

8. *Share capital*

The authorized capital of the Bank is $5.0 million divided into 100,000 shares with a par value of $50 each. The shares are fully paid and, in accordance with the *Bank of Canada Act*, have been issued to the Minister of Finance, who is holding them on behalf of the Government of Canada.

9. *Statutory reserve*

The rest fund was established in accordance with the *Bank of Canada Act* and represents the statutory reserve of the Bank. The statutory reserve was accumulated out of net revenue until it reached the stipulated maximum amount of $25.0 million in 1955.

10. *Employee benefit plans*

The Bank sponsors a number of defined-benefit plans that provide pension and other post-retirement and post-employment benefits to its eligible employees.

The pension plans provide benefits under a Registered Pension Plan and a Supplementary Pension Arrangement. Pension calculation is based mainly on years of service and average pensionable income and is generally applicable from the first day of employment. The pension is indexed to reflect changes in the consumer price index on the date payments begin and each January 1, thereafter.

The Bank sponsors post-retirement health, dental, and life insurance benefits, as well as post-employment self-insured Long-Term Disability and continuation of benefits to disabled employees. The Bank also sponsors a long-service benefit program for employees hired before January 1, 2003.

The Bank measures its accrued benefits obligations and fair value of plan assets for accounting purposes as at December 31 of each year. The most recent actuarial valuation for funding purposes of the Registered Pension Plan was done as of January 1, 2002, and the next required valuation will be as of January 1, 2005.

The total cash payment for employee future benefits for 2004 was $8.6 million ($9.7 million in 2003), consisting of $3.5 million ($3.1 million in 2003) in cash contributed by the Bank to its funded pension plans and $5.1 million (6.6 million in 2003) in cash payments directly to beneficiaries for its unfunded other benefits plans.

Information about the employee benefit plans is presented in the tables below.

Plan assets, benefit obligation, and plan status

	Pension benefit plans		Other benefit plans	
	2004	2003	2004	2003
Plan assets				
Fair value of plan assets at beginning of year	726.8	639.2	-	-
Bank's contributions	3.5	3.1	-	-
Employees' contributions	7.9	5.2	-	-
Benefit payments and transfers	(30.4)	(26.2)	-	-
Actual return on plan assets	91.6	105.5	-	-
Fair value of plan assets at year-end[1]	799.4	726.8	-	-

1. The pension benefit plans' assets were composed of 58% in equities, 27% in bonds, 10% in real return investments, 3% in short-term securities and cash and 2% in real estate assets (unchanged from 2003).

Benefit obligation				
Benefit obligation at beginning of year	663.3	612.1	112.7	106.4

Current service cost	22.2	17.7	4.5	4.4
Interest cost	35.2	33.9	6.1	5.8
Benefit payments and transfers	(30.4)	(26.2)	(5.1)	(6.6)
Actuarial loss	24.9	25.8	8.1	2.7
Benefit obligation at year-end	715.2	663.3	126.3	112.7
Plan status				
Excess (deficiency) of fair value of plan assets over benefit obligations at year-end	84.2	63.5	(126.3)	(112.7)
Unamortized net transitional obligation (asset)	(88.1)	(100.6)	25.8	29.2
Unamortized cost of amendments	21.9	24.2	4.0	5.0
Unamortized net actuarial loss	66.7	91.5	25.6	18.2
Accrued benefit asset (liability)	84.7	78.6	(70.9)	(60.3)

The accrued benefit asset for the defined-benefit pension plans is included in the balance sheet category *All other assets*. The total accrued benefit liability for the other benefit plans is included in the balance sheet category *All other liabilities*.

Benefit plan expense (income)

	Pension benefit plans		Other benefit plans	
	2004	2003	2004	2003
Current service cost, net of employees' contributions	14.3	12.3	4.5	4.3
Interest cost	35.2	33.9	6.1	5.8
Actual return on plan assets	(91.6)	(105.5)	-	-
Actuarial loss	24.9	25.8	8.1	2.7
Curtailment loss	-	-	-	0.1
Benefit plan expense (income), before adjustments to recognize the long-term nature of employee future benefit costs	(17.2)	(33.5)	18.7	12.9
Adjustments				
Difference between expected return and actual return on plan assets for the year	48.8	64.4	-	-

Difference between amortization of past service costs for the year and actual plan amendments for the year	2.3	2.3	1.0	1.0
Difference between amortization of actuarial loss for the year and actual loss on accrued benefit obligation for the year	(23.9)	(25.4)	(7.4)	(2.3)
Amortization of transitional obligation (asset)	(12.6)	(12.6)	3.5	3.5
Benefit plan expense (income) recognized in the year	(2.6)	(4.8)	15.8	15.1

Significant assumptions

The significant assumptions used are as follows (on a weighted-average basis).

	Pension benefit plans		Other benefit plans	
	2004	2003	2004	2003
Accrued benefit obligation as at December 31				
Discount rate	5.00%	5.25%	4.80%	5.30%
Rate of compensation increase	4.00% +merit	4.00% +merit	4.00% +merit	4.00% +merit
Benefit plan expense for year ended December 31				
Discount rate	5.25%	5.50%	5.30%	5.30%
Expected rate of return on assets	6.00%	6.00%	-	-
Rate of compensation increase	4.00% +merit	4.00% +merit	4.00% +merit	4.00% +merit
Assumed health care cost trend				
Initial health care cost trend rate			9.63%	9.63%
Health care cost trend rate declines to			4.50%	4.50%
Year that the rate reaches the ultimate trend rate			2014	2013

2004 sensitivity of key assumptions

	Change in obligation	Change in expense
Impact of 0.25% increase/decrease in assumptions		

Pension benefit plans		
Change in discount rate	(31.5) / 31.5	(1.7) / 3.4
Change in the long-term rate of return on plan assets	- / -	(1.8) / 1.8
Other benefit plans		
Change in discount rate	(4.9) / 5.2	(0.6) / 0.3
Impact of 1.00% increase/decrease in assumptions		
Other benefit plans		
Change in the assumed health care cost trend rates	16.8 / (12.8)	1.2 / (0.9)

11. *Commitments, contingencies, and guarantees*

(*a*) Operations

The Bank has a long-term contract with an outsourced service provider for retail debt services, expiring in 2011. As at December 31, 2004, fixed payments totalling $96.6 million remained, plus a variable component based on the volume of transactions. The Bank recovers the cost of retail debt services from the Canada Investment and Savings Agency. Commitments relating to other processing services are $5.6 million, expiring in June 2006.

Commitments related to capital improvements to the head-office building totaling $11.2 million are outstanding as at December 31, 2004. The work is expected to be completed in the next year.

(*b*) Foreign currency contracts

The Bank is a participant in foreign currency swap facilities with the U.S. Federal Reserve for US$2 billion, the Banco de México for CAN$1 billion, and with the Exchange Fund Account of the Government of Canada. There were no drawings under any of those facilities in 2004 or 2003 and, therefore, there were no commitments outstanding as at December 31, 2004.

(*c*) Investment contracts

Sale investment contracts outstanding as at December 31, 2004, of $2,516.8 million, at an interest rate of 2.50% under special purchase and resale agreements, were settled by January 12, 2005 ($1,899.7 at the end of 2003 at an interest rate of 2.75%).

(*d*) Contingency

The 8 000 shares in the BIS have a nominal value of 5 000 special drawing rights (SDR) of which 25%, i.e. SDR 1 250, is paid up. The balance of SDR 3 750 is callable at three months' notice by decision of the BIS Board of Directors.

(*e*) Legal proceedings

During the year, legal proceedings were initiated against the Bank relating to the Bank of Canada Registered Pension Plan. Since the Bank's legal counsel is of the view that the plaintiff's claims for compensation do not have a sound legal basis, management does not expect the outcome of the proceedings to have a material effect on the financial position or operations of the Bank.

(*f*) Guarantees

In the normal course of operations, the Bank enters into certain guarantees, which are described below.

Large Value Transfer System (LVTS) guarantee

The LVTS is a large-value payment system, owned and operated by the Canadian Payments Association. The system's risk control features, which include caps on net debit positions and collateral to secure the use of overdraft credit, are sufficient to permit the system to obtain the necessary liquidity to settle in the event of the failure of the single LVTS participant having the largest possible net amount owing. The Bank guarantees to provide this liquidity, and in the event of the single participant failure, the liquidity loan will be fully collateralized. In the extremely unlikely event that there were defaults by more than one participant during the LVTS operating day, in an aggregate amount in excess of the largest possible net amount owing by a single participant, there would not likely be enough collateral to secure the amount of liquidity that the Bank would need to provide to settle the system. This might result in the Bank having unsecured claims on the defaulting participants in excess of the amount of collateral pledged to the Bank to cover the liquidity loans. The Bank would have the right, as an unsecured creditor, to recover any amount of its liquidity loan that was unpaid. The amount potentially at risk under this guarantee is not determinable, since the guarantee would be called upon only if a series of extremely low probability events were to occur. No amount has ever been provided for in the liabilities of the Bank, and no amount has ever been paid under this guarantee.

Other indemnification agreements

In the normal course of operations, the Bank provides indemnification agreements with various counterparties in transactions such as service agreements, software licences, leases, and purchases of goods. Under these agreements, the Bank agrees to indemnify the counterparty against loss or liability arising from the acts or omissions of the Bank in relation to the agreement. The nature of the indemnification agreements prevents the Bank from making a reasonable estimate of the maximum potential amount that the Bank would be required to pay such counterparties.

[15-1-o]

DEPARTMENT OF THE ENVIRONMENT

CANADIAN ENVIRONMENTAL PROTECTION ACT, 1999

Notice, under subsection 84(5) of the Canadian Environmental Protection Act, 1999*, of the Ministerial Conditions*

Whereas the Minister of the Environment has previously imposed Ministerial Condition No. 12066*a* pertaining to the substance Piperidine, 1-acetyl-4-(3-dodecyl-2,5-dioxo-1-pyrrolidinyl)2,2,6,6-tetramethyl-, Chemical Abstracts Service No. 106917-31-1, on December 13, 2003,

Whereas the Ministers of Health and of the Environment have assessed additional information pertaining to the substance,

And whereas the Ministers suspect that the substance is toxic,

The Minister of the Environment hereby rescinds Ministerial Condition No. 12066*a* under subsection 84(3) of the *Canadian Environmental Protection Act, 1999* and makes Ministerial Condition No. 12066*b* in replacement thereof in accordance with the annexed text.

STÉPHANE DION
Minister of the Environment

CONDITIONS

(Section 84 of the *Canadian Environmental Protection Act, 1999*)

The Notifier may import the substance in any amounts after the assessment period expires only in circumstances where the Notifier complies with the following terms:

Application

1. Items 3 to 7 of the following conditions do not apply to automotive paint spray booth facilities which employ the substance as a UV light absorber/stabilizer in clear coating or base coating formulations.

Use Restriction

2. The Notifier shall import the substance for use only as a UV light absorber/stabilizer in clear coatings or base coatings for the automotive industry.

No Release Into the Environment

3. (1) The substance shall not be released into the environment.

3. (2) Any wastes containing the substance, including wastes resulting from rinsing vessels that held the substance, process effluents and any residual amounts of the substance, must be

(*a*) reintroduced into the formulation process for recovery; or

(*b*) disposed of as hazardous wastes as permitted under the laws of the jurisdiction where the disposal facility is located; or

(*c*) disposed of via incineration as permitted under the laws of the jurisdiction where the disposal facility is located.

Disposal Restriction for Returnable Vessels

4. (1) When returning vessels that contained the substance to the supplier, the Notifier shall follow the procedures hereafter:

(*a*) all vessels shall be rinsed with an appropriate solvent to remove any residual substance prior to the vessels being returned; or

(*b*) all vessels shall be sealed to prevent release of the substance prior to the vessels being returned.

Disposal Restriction for Non-returnable Vessels

5. (1) When disposing of any vessels that contained the substance the Notifier shall follow the procedures hereafter:

(*a*) all vessels shall be rinsed with an appropriate solvent, at person facility, to remove any residual substance prior to the containers being disposed of; or

(*b*) all vessels shall be sealed and disposed of as hazardous wastes as permitted under the laws of the jurisdiction where the disposal facility is located.

5. (2) Where any release of the substance to the environment occurs in contravention of the conditions set out in items 3(1) to 3(2), the Notifier shall immediately take all measures necessary to prevent any further release and to limit the dispersion of any release. Furthermore, the Notifier shall notify the Minister of the Environment immediately by contacting an enforcement officer designated under the *Canadian Environmental Protection Act, 1999* of the closest regional office.

Transportation Requirements

6. (1) The substance must be transported as dangerous goods as indicated under the *Transportation of Dangerous Goods Regulations*.

6. (2) All vessels shall be sealed to prevent release of the substance prior to the vessels being transported off-site.

Record-keeping Requirements

7. (1) The Notifier shall maintain electronic or paper records, with any documentation supporting the validity of the information contained in these records, indicating

(*a*) the specific use of the substance;

(*b*) the quantity of the substance being imported, sold and used;

(*c*) the name and address of each person buying the substance;

(*d*) the name and address of the company, in Canada, disposing of the vessels that held the substance; and

(*e*) the name and address of the company, in Canada, transporting the vessels that held the substance.

7. (2) The Notifier shall maintain electronic or paper records made in item 7(1) at the Notifier's principal place of business for a period of at least five years after they are made.

Information Requirements

8. (1) Should the Notifier intend to change waste-disposal practices other than those specified in items 3(1) and 3(2), the Notifier shall inform the Minister of the Environment, in writing, at least 30 days prior to the beginning of the new activity.

8. (2) Should the Notifier intend to manufacture the substance, the Notifier shall inform the Minister of the Environment, in writing, at least 30 days prior to the beginning of manufacturing.

Other Requirements

9. The Notifier shall inform all persons, in writing, of the terms of the condition and the Notifier shall obtain, prior to any transfer of the substance, written confirmation from persons on their company letterhead, that they understand and will meet these terms as if the present Ministerial Condition had been imposed on them. These records shall be maintained at the Notifier's principal place of business for a period of at least five years after they are made.

[15-1-o]

DEPARTMENT OF FISHERIES AND OCEANS

OCEANS ACT

Amendment to the Fee Schedule: Fees to be paid for marine navigation services provided by the Canadian Coast Guard

Amendment

1. Subsection 6(1) of the Fee Schedule is replaced by the following:

6. (1) Subject to subsections (2), (3), (4) and section 10, the fee payable, for marine navigation services, by a non-Canadian ship whose principal purpose is the transportation of goods or merchandise, that is loading or unloading cargo at a Canadian port is, for cargo that is loaded, the amount obtained by multiplying the weight in tonnes of the cargo that is loaded, to a maximum of 50 000 tonnes, and for cargo that is unloaded, the amount obtained by multiplying the weight in tonnes of the cargo that is unloaded, to a maximum of 50 000 tonnes, by

(*a*) $0.152, in the Laurentian and Central Region;

(*b*) $0.089, in the Bay of Fundy ports in the Maritimes Region;

(*c*) $0.216, in the Northumberland Strait and PEI ports in the Maritimes Region;

(*d*) $0.107, in all other Nova Scotia ports in the Maritimes Region;

(*e*) $0.160, in the Chaleur Bay ports in the Maritimes Region;

(*f*) $0.216, in the Miramichi River ports in the Maritimes Region; and

(*g*) $0.152, in the Newfoundland Region.

2. Section 6 of the Fee Schedule is amended by adding the following after subsection (3):

(4) Subject to subsections (2) and (3) and subsections 8(4), (5) and (6), the fee payable, for marine navigation services, by a non-Canadian ship that is a bulk carrier or container ship that is operating between U.S. and Canadian ports in the Great Lakes is the amount obtained by the application of the formula prescribed in subsection 8(3).

3. Subsections 8(4) and (5) of the Fee Schedule are replaced by the following:

(4) All ships subject to fees under subsection (3) are required to submit documentation as to vessel type to the Minister within the first quarter in which the fee is payable; otherwise, the fees payable by the ship will be those prescribed in subsection 6(1).

(5) Notwithstanding the calculation of the fee in subsection (3), the fee payable by a bulk carrier or container ship shall not exceed $0.05 per tonne for aggregates and $0.15 per tonne for gypsum to a maximum of 50 000 tonnes and $0.16 per tonne for all other commodities.

Coming into force

4. This amendment comes into force April 1, 2005.

Explanatory note

The purpose of this amendment is to

(*a*) correct an unintended rate disparity in the current Fee Schedule; and

(*b*) ensure a fair application of the Marine Navigation Services Fee.

GEOFF REGAN
Minister of Fisheries and Oceans

[15-1-o]

DEPARTMENT OF HEALTH

FOOD AND DRUGS ACT

Notice of Intent — Food and Drug Regulations — *Project No. 1385 — Schedule F*

This Notice of Intent is to provide an opportunity to comment on the proposal to amend Part II of Schedule F to the *Food and Drug Regulations* to the *Food and Drugs Act* to provide exemptions to allow nonprescription status for

1. vitamin K_1 and K_2 in products intended for external use in humans; and

2. vitamin K_1 and K_2 in oral dosage forms for use in humans when the maximum recommended daily dose is equal to or less than 120 micrograms (0.120 milligrams).

In a coincident amendment, it is also proposed to add vitamin K_1 and K_2 to Item 3 of Schedule 1, Included Natural Health Product Substances, to the *Natural Health Products Regulations*. However, the dosage forms and strengths of vitamin K remaining on Schedule F would not be considered to be natural health products in accordance with subsection 2(2) of the *Natural Health Products Regulations*.

Schedule F is a list of medicinal ingredients, the sale of which is controlled under sections C.01.041 to C.01.049 of the *Food and Drug Regulations*. Part I of Schedule F lists ingredients that require a prescription for human use and for veterinary use. Part II of Schedule F lists ingredients that require a prescription for human use but do not require a prescription for veterinary use if so labelled or if in a form unsuitable for human use. Vitamin K is presently listed in Part II of Schedule F without any qualifying phrases.

Vitamin K is not a single chemical entity. The term vitamin K refers to a range of compounds known as vitamins K_1, K_2, K_3, K_4 and K_5. Vitamin K_1, also known as phylloquinone and phytonadione, is synthesized by plants. Vitamin K_2 is usually derived from microbes and is also known as menaquinone and menatetrenone.

The Drug Schedule Status Committee determined that prescription status is no longer required for the strength and dosage forms in the proposed amendments on the basis of established and publicly available criteria. These criteria include, but are not limited to, concerns related to toxicity, pharmacological properties, and therapeutic applications.

Exemption for vitamin K_1 and K_2 at 120 micrograms or less for oral use

Vitamin K_1 and K_2 are the major dietary forms of vitamin K. The proposal to exempt vitamin K_1 and K_2 in oral dosage forms when the maximum recommended daily dose is 120 micrograms or less from prescription status is based on an evaluation of safety data and a review of the approaches used by other regulatory jurisdictions.

Other considerations

No adverse effects associated with vitamin K_1 or K_2 consumption from food or supplements have been reported in humans or animals at the recommended level of 120 micrograms per day or less. A comprehensive search of literature revealed no evidence of toxicity associated with the intake of vitamin K_1 or K_2.

Many regulatory jurisdictions permit vitamin K_1 and K_2 below certain maximum daily doses to be sold as either a nonprescription drug or, as in the United States, a dietary supplement. The maximum recommended daily dose of 120 micrograms falls within the international range of levels (40–130 micrograms) not requiring a prescription.

The factors for placing a substance on Schedule F no longer apply to doses of vitamin K_1 and K_2 when the maximum daily dose recommended on the product label does not exceed 120 micrograms.

Alternative

The alternative option would be to maintain the status quo, i.e. not to provide exemptions to allow nonprescription status for vitamin K_1 or K_2 in oral dosage forms when the maximum recommended daily dose is equal to, or less than, 120 micrograms. Retaining complete prescription status for vitamin K_1 and K_2 would not be an appropriate risk management tool. The benefits clearly outweigh the risks of having vitamin K_1 and K_2 in oral dosage forms as a nonprescription drug, when the maximum recommended daily dose is 120 micrograms per dosage unit or less.

Exemption for vitamin K_1 and K_2 in products for external use in humans

The Drug Schedule Status Committee is also proposing to exempt from Schedule F vitamin K_1 and K_2 when included as a medicinal ingredient in products for external use in humans. Initially, the prescription requirement for vitamin K and several other vitamins was stated only in Division 4 of the *Food and Drug Regulations*, pertaining only to drugs for internal or parenteral use in humans. When vitamin K was added to Schedule F, no qualifying phrase was added to indicate that only vitamin K for internal or parenteral use required a prescription. Without qualification, all dosage forms of vitamin K, including topical products, required prescription status.

Alternative

The alternative option would be to maintain the status quo, i.e. not to provide an exemption to allow nonprescription status for vitamin K_1 or K_2 in products intended for external use in humans. This option was not considered to be appropriate, as the safety profile of vitamin K_1 and K_2 in these products is consistent with other nonprescription products.

Addition of vitamin K_1 and K_2 to the *Natural Health Products Regulations*

The Drug Schedule Status Committee is also proposing to add vitamin K_1 and K_2 to item 3 of Schedule 1 of the *Natural Health Products Regulations*. Schedule 1 of the Regulations outlines the substances that are natural health products.

In the proposed *Natural Health Products Regulations* published in the *Canada Gazette*, Part I, on December 22, 2001, vitamin K was listed on Schedule 1, a list of included natural health product substances. When the *Natural Health Products Regulations* were published in the *Canada Gazette*, Part II, on June 18, 2003, vitamin K had been removed from Schedule 1. The regulatory impact analysis statement, published with the Regulations, addressed vitamin K as follows:

"Recognizing that the NHP definition excludes substances that require a prescription (see details below) and that vitamin K is currently listed on Schedule F to the *Food and Drug Regulations* without any qualifiers, the NHPD has removed vitamin K from Schedule 1 until the qualifier for vitamin K has been determined. The NHPD is examining whether regulatory amendments for the vitamins, minerals and amino acids, which are currently listed on Schedule F, are needed."

Alternative

Within the *Natural Health Products Regulations*, the alternative option would be to maintain the status quo, i.e. to not include vitamin K_1 and K_2 on Schedule 1. This option was not considered to be an appropriate risk management tool, since the Drug Schedule Status Committee is now proposing that vitamin K_1 and K_2 below a certain level is acceptable for nonprescription use.

Benefits and costs

The amendments will impact on the following sectors:

- Public

The removal of the prescription requirement for vitamin K_1 and K_2 for oral use products when the maximum recommended daily dose is 120 micrograms or less and for vitamin K_1 and K_2 in external use products would provide the consumer with easier access.

The public would be required to pay directly for the products as nonprescription products, which are not usually covered by drug insurance plans.

- Health care professionals

A broader group of health care professionals (for example, naturopaths) would have access to this drug product as a natural health product and would be able to recommend it to their patients without the need for prescription.

- Pharmaceutical industry

These regulatory amendments would permit manufacturers and distributors to sell vitamin K_1 and K_2 in products for oral use when the maximum recommended daily dose is 120 micrograms or less and vitamin K_1 and K_2 in products for external use without the intervention of a health professional, therefore providing the industry with more market flexibility.

- Natural health products industry

Manufacturers, packagers, labellers, importers and distributors would be able to sell products containing vitamin K_1 and K_2 as natural health products.

Compliance and enforcement

These amendments would not alter existing compliance mechanisms under the provisions of the *Food and Drugs Act*, the *Food and Drug Regulations* and the *Natural Health Products Regulations* enforced by the Health Products and Food Branch Inspectorate.

Consultation

The regulatory impact analysis statement published with the *Natural Health Products Regulations* in the *Canada Gazette*, Part II, on June 18, 2003, clearly indicated that vitamin K could not be listed on Schedule 1 until exemptions from Schedule F for vitamin K were determined.

Health Canada originally proposed nonprescription status for vitamin K in products intended for external use in humans and for vitamin K_1 in oral dosage forms for use in humans when the maximum recommended daily dose was equal to or less than 80 micrograms. The proposal has been revised to recommend a daily dose of 120 micrograms for both vitamin K_1 and K_2 for oral use and to specify both vitamin K_1 and K_2 in products intended for external use in humans. It has also been revised to specify the addition of vitamin K_1 and K_2 to Item 3 of Schedule 1 to the *Natural Health Products Regulations*.

Direct notice of the original regulatory proposal was provided to provincial and territorial ministries of health, medical and pharmacy licensing bodies, and industry, consumer and professional associations on January 5, 2004, with a 30-day comment period. The initiative was also posted on the Therapeutic Products Directorate Web site.

Responses were received from five stakeholders based on the originally proposed level of 80 micrograms for vitamin K_1. Two additional respondents requested supplemental information regarding the proposal but did not provide specific comments on the proposal.

Support the proposal

Three respondents (two associations/organizations and one individual) expressed support for the proposal.

Object to the proposal

Two respondents objected to the proposal and expressed the concerns summarized below.

1. One respondent requested that vitamin K_1 be removed from Schedule F entirely, or alternatively, that clarification be provided regarding the safety factors that would cause vitamin K to retain prescription status. The respondent stated that in the United States, products containing vitamin K are not even regulated as drugs. The response also stated the maximum permitted levels of other nonprescription vitamin supplements are not restricted to their RDI (Reference Daily Intake) and that a review of the literature conducted by the respondent did not reveal any adverse reactions resulting from the ingestion of vitamin K in the range of 140 to 200 mcg/day. The respondent pointed out that 220 to 440 mcg of vitamin K could be obtained from single servings of vegetables in the diet.

Response: Removing all strengths of vitamin K_1 and K_2 for oral use from Schedule F is not an appropriate risk/benefit approach. However, the recommended daily dose for nonprescription status has been increased from 80 micrograms to 120 micrograms in this proposed amendment. Clinically evident vitamin K deficiency is uncommon in Canada because the daily requirements for healthy individuals, namely 1 microgram per kilogram of body weight, is readily obtained from the diet. Those individuals, for whom additional vitamin K is necessary, are suffering from disorders or diseases that require supervision by a physician. Consequently, it is not considered prudent to remove vitamin K_1 and K_2 entirely from Schedule F. Based on a risk assessment, a distinction is made between the levels of vitamins that are appropriate as dietary supplements and those used for therapeutic purposes. Other vitamins have both prescription and nonprescription status, i.e. are sold on prescription at higher levels. An example is folic acid in excess of 1 mg per day or vitamins A and D if the maximum recommended daily dose exceeds 10 000 International Units (IU) and 1 000 IU, respectively.

In the Health Canada Food Program's October 2002 consultation document entitled "Addition of Vitamins and Minerals Policy Review and Implementation," vitamins and minerals were categorized according to risk. Vitamin K is classified in the uncertain risk category because of the lack of adequate intake data. The fact that no adverse events were uncovered in the respondent's literature search is no guarantee that vitamin K is devoid of toxicity concerns.

The greatest concern with vitamin K supplementation is possible antagonism of coumarin type anticoagulants, e.g. warfarin. Dietary modification has led to changes in intake of vitamin K that have affected anticoagulant control (Chow WH, et al. Anticoagulation instability with life-threatening complication after dietary modification. *Postgrad Med J*, 1990; 66: 855-7). Given that a significant proportion of the older population is on anticoagulant medication, the precautionary principle dictates that levels exceeding 120 micrograms of vitamin K_1 and K_2 remain in prescription status. Many countries permit a nonprescription level for vitamin K_1 and K_2 that range between 40 to 130 micrograms per day.

2. One respondent could not see any health benefit for a person taking vitamin K, except in a therapeutic situation, and felt that there was at least a theoretical risk to taking vitamin K for anybody who has suffered from clots. It was noted that it is very difficult to adjust the anticoagulant coumadin medications in some patients, as the International Normalized Ratio (INR) varies considerably with a person's diet and other medications, and must be stabilized very carefully and with frequent blood tests. The respondent noted that a person taking vitamin K, either starting or ceasing anticoagulant medication, may cause a change in the INR, which might result in significant health problems. He felt that the risk/benefit was unfavourable. The respondent did not comment on vitamin K products for external use.

Response: It is acknowledged that alterations in dietary vitamin K intake can influence anticoagulant therapy, the dosages of which must be carefully adjusted to the individual. The exact dosage at which vitamin K begins to interact with warfarin, a vitamin K antagonist, has not been established. Some studies suggest that this would be around 1 mg, which is eight times higher than the maximum daily dose of 120 micrograms proposed for nonprescription status. Other studies suggest that very small fluctuations, such as the additional intake of 120 micrograms per day from a dietary supplement, would not have a significant impact on dosages if the overall intake of vitamin K does not exceed approximately 250 micrograms per day.

Once the appropriate anticoagulant dose has been established, patients can avoid any complications resulting from variation in vitamin K intake by continuing to follow their normal dietary patterns. The use of a dietary supplement containing vitamin K_1 or K_2 on a regular basis may therefore help stabilize an individual's daily vitamin K intake.

Concerns regarding possible vitamin K anticoagulant interaction can be addressed by appropriate labelling of the nonprescription product.

Notification of the publication of this Notice of Intent in the *Canada Gazette*, Part I, is being sent by electronic mail to stakeholders. It is also being posted on the Therapeutic Products Directorate Web site at www.hc-sc.gc.ca/hpfb-dgpsa/tpd-dpt/index_drugs_regulations_e.html and the "Consulting Canadians" Web site at www.consultingcanadians.gc.ca.

Any comments regarding these proposed amendments should be addressed to Matt Folz, Policy Division, Policy Bureau, Therapeutic Products Directorate, Holland Cross, Tower B, 2nd Floor, 1600 Scott Street, Address Locator 3102C5, Ottawa, Ontario K1A 1B6, by facsimile at (613) 941-6458 or by electronic mail to matt_folz@hc-sc.gc.ca, within 75 days following the date of publication in the *Canada Gazette*, Part I.

Final approval

These proposed amendments will be submitted for approval of Treasury Board for final publication in the *Canada Gazette*, Part II, approximately six to eight months from the date of this notice. The amendments will come into force on the date of registration.

DIANE C. GORMAN
Assistant Deputy Minister

[15-1-o]

DEPARTMENT OF INDUSTRY

OFFICE OF THE REGISTRAR GENERAL

Appointments

Name and position	*Order in Council*
Chan, Kit	2005-367
Bank of Canada	
Director of the Board of Directors	
Clark, Lorenne M. G.	2005-371
Immigration and Refugee Board	
Part-time Member	
Kealey, Gregory	2005-370
Social Sciences and Humanities Research Council	
Member	
Lajeunesse, Claude	2005-361
Atomic Energy of Canada Limited	
Director	
Layton, Jack Gilbert	
Queen's Privy Council for Canada	Instrument of Advice dated March 21, 2005
Member	
Matteau, Sylvie	2005-439
Public Service Labour Relations Board	
Vice-Chairperson	
McCunn Miller, Patricia	2005-364
National Energy Board	
Member	
Murray, Glen	2005-363

National Round Table on the Environment and the Economy	
Chairperson	
National Aboriginal Economic Development Board	
Coffey, Charles S.	2005-366
Member and Vice-Chairperson	
Nitsiza, Alex M.	2005-365
Member	
Walker, Rosa B.	2005-362
Member and Vice-Chairperson	
National Parole Board	
Part-time Members	2005-368
Chamberland, Céline	
Elwood, Bruce S.	
Trowbridge, Chris	
Williams, Rebekah Uqi	
Port Authority	
Directors	
Blais, Élizabeth — Sept-Îles	2005-435
Doucett, Rayburn D. — Belledune	2005-437
Eldridge, Keith — Sept-Îles	2005-436
Rabinovitch, Victor	2005-438
Canadian Museum of Civilization	
Director	
Roveto, Connie Ida	2005-360
Canada Customs and Revenue Agency	
Chair of the Board of Management	
Wallace, Thomas W.	2005-369
Permanent Engineering Board	
Member	

March 31, 2005

JACQUELINE GRAVELLE
Manager

[15-1-o]

DEPARTMENT OF INDUSTRY

OFFICE OF THE REGISTRAR GENERAL

Senators called

Her Excellency the Governor General has been pleased to summon to the Senate of Canada, by letters patent under the Great Seal of Canada bearing date of March 24, 2005:

— Cowan, James S., Q.C., of Halifax, in the Province of Nova Scotia, Member of the Senate and a Senator for the Province of Nova Scotia;

— Dallaire, Roméo Antonius, of Sainte-Foy, in the Province of Quebec, Member of the Senate and a Senator for the Division of Gulf in the Province of Quebec;

— Dyck, Lillian Eva, of North Battleford, in the Province of Saskatchewan, Member of the Senate and a Senator for the Province of Saskatchewan;

— Eggleton, The Hon. Art, P.C., of Toronto, in the Province of Ontario, Member of the Senate and a Senator for the Province of Ontario;

— McCoy, Elaine, Q.C., of Calgary, in the Province of Alberta, Member of the Senate and a Senator for the Province of Alberta;

— Mitchell, Grant, of Edmonton, in the Province of Alberta, Member of the Senate and a Senator for the Province of Alberta;

— Peterson, Robert W., of Regina, in the Province of Saskatchewan, Member of the Senate and a Senator for the Province of Saskatchewan;

— Ruth, Nancy, of Toronto, in the Province of Ontario, Member of the Senate and a Senator for the Province of Ontario;

— Tardif, Claudette, of Edmonton, in the Province of Alberta, Member of the Senate and a Senator for the Province of Alberta.

March 31, 2005

JACQUELINE GRAVELLE
Manager

[15-1-o]

NOTICE OF VACANCIES

CANADA POST CORPORATION

Members of the Board of Directors (part-time positions)

Headquartered in Ottawa, Canada Post Corporation is the seventh largest employer in the country. Its vision is to be a world leader in providing innovative physical and electronic delivery solutions, creating value for its customers, its employees and all Canadians.

Canada Post (www.canadapost.ca) and its subsidiaries are entrusted with some 10 billion messages and parcels annually. From providing advanced technology processes, e-commerce solutions, and seamless third-party inventory and order processing management to fast same-day delivery and overnight courier, the Canada Post Group supports a vast network of customers at home and around the world. Annual revenues from operations exceed $6 billion.

In order to fulfill its mission and provide strong corporate governance, the Government of Canada is seeking to recruit experienced business professionals to the Board of Directors.

Interested candidates must have senior executive-level experience in large or mid-sized company operations and experience as a member of a board of directors. Candidates must have financial literacy and bring specific expertise in one or more disciplines, including accounting and finance, law, pension governance, strategic planning, human resources, information technology, marketing and sales, network management, management of a holding company and international business. An understanding and appreciation of the dual role of Crown corporations as business enterprises and as instruments of public policy, providing value to Canadians, is key.

The Government is committed to ensuring that its appointments are representative of Canada's regions and official languages, as well as of women, Aboriginal peoples, disabled persons and visible minorities.

The selected candidate(s) will be subject to the principles set out in Part I of the *Conflict of Interest and Post Employment Code for Public Office Holders*. To obtain copies of the Code, visit the Web site of the Office of the Ethics Commissioner at http://strategis.ic.gc.ca/ethics.

This notice has been placed in the *Canada Gazette* to assist in identifying qualified candidates for these positions. It is not, however, intended to be the sole means of recruitment. Applications forwarded through the Internet will not be considered for reasons of confidentiality.

Please send your curriculum vitae by April 29, 2005, to the Deputy Secretary to the Cabinet (Senior Personnel and Special Projects), Privy Council Office, 59 Sparks Street, 1st Floor, Ottawa, Ontario K1A 0A3, (613) 957-5006 (facsimile).

Further information is available upon request.

Bilingual notices of vacancies will be produced in an alternative format (audio cassette, diskette, braille, large print, etc.) upon request. For further information, please contact Canadian Government Publishing, Public Works and Government Services Canada, Ottawa, Canada K1A 0S5, (613) 941-5995 or 1-800-635-7943.

[15-1-o]

BANK OF CANADA

Balance sheet as at March 16, 2005

ASSETS		
Deposits in foreign currencies		
U.S. dollars $	251,303,097	
Other currencies	5,422,694	
	$	256,725,791
Advances		
To members of the Canadian Payments Association	73,964,378	
To Governments		
		73,964,378
Investments*		
(at amortized values)		
Treasury bills of Canada	12,732,223,494	
Other securities issued or guaranteed by Canada maturing within three years	9,131,400,195	
Other securities issued or guaranteed by Canada maturing in over three years but not over five years	5,891,716,556	
Other securities issued or guaranteed by Canada maturing in over five years but not over ten years	9,232,818,744	
Other securities issued or guaranteed by Canada maturing in over ten years	5,899,143,053	
Other bills		
Other investments	2,633,197	
		42,889,935,239
Bank premises		129,128,727
Other assets		
Securities purchased under resale agreements		
All other assets	475,531,826	
		475,531,826
	$	43,825,285,961
LIABILITIES AND CAPITAL		
Bank notes in circulation	$	41,191,154,074
Deposits		

Government of Canada $	1,065,321,458	
Banks	6,414,656	
Other members of the Canadian Payments Association	4,818,842	
Other	387,960,994	
		1,464,515,950
Liabilities in foreign currencies		
Government of Canada	124,511,451	
Other		
		124,511,451
Other liabilities		
Securities sold under repurchase agreements	669,037,739	
All other liabilities	346,066,747	
		1,015,104,486
Capital		
Share capital	5,000,000	
Statutory reserve	25,000,000	
		30,000,000
	$	43,825,285,961

***NOTE**	
Total par value included in Government bonds loaned from the Bank's investments.	$
I declare that the foregoing return is correct according to the books of the Bank.	I declare that the foregoing return is to the best of my knowledge and belief correct, and shows truly and clearly the financial position of the Bank, as required by section 29 of the *Bank of Canada Act*.
Ottawa, March 17, 2005	Ottawa, March 17, 2005
W. D. SINCLAIR *Acting Chief Accountant*	DAVID A. DODGE *Governor*

[15-1-o]

BANK OF CANADA

Balance sheet as at March 23, 2005

ASSETS		

Deposits in foreign currencies		
U.S. dollars $	250,233,177	
Other currencies	5,161,194	
	$	255,394,371
Advances		
To members of the Canadian Payments Association	34,991,820	
To Governments		
		34,991,820
Investments*		
(at amortized values)		
Treasury bills of Canada	12,759,127,496	
Other securities issued or guaranteed by Canada maturing within three years	9,380,116,941	
Other securities issued or guaranteed by Canada maturing in over three years but not over five years	5,891,586,340	
Other securities issued or guaranteed by Canada maturing in over five years but not over ten years	9,232,848,956	
Other securities issued or guaranteed by Canada maturing in over ten years	5,899,016,472	
Other bills		
Other investments	2,633,197	
		43,165,329,402
Bank premises		129,564,803
Other assets		
Securities purchased under resale agreements		
All other assets	509,157,072	
		509,157,072
	$	44,094,437,468

LIABILITIES AND CAPITAL		
Bank notes in circulation	$	41,759,993,802
Deposits		
Government of Canada $	805,537,920	
Banks	82,112,342	
Other members of the Canadian Payments Association	2,957,829	
Other	379,288,793	

		1,269,896,884
Liabilities in foreign currencies		
Government of Canada	125,220,663	
Other		
		125,220,663
Other liabilities		
Securities sold under repurchase agreements	529,492,325	
All other liabilities	379,833,794	
		909,326,119
Capital		
Share capital	5,000,000	
Statutory reserve	25,000,000	
		30,000,000
	$	44,094,437,468

***NOTE**	
Total par value included in Government bonds loaned from the Bank's investments.	$
I declare that the foregoing return is correct according to the books of the Bank.	I declare that the foregoing return is to the best of my knowledge and belief correct, and shows truly and clearly the financial position of the Bank, as required by section 29 of the *Bank of Canada Act*.
Ottawa, March 24, 2005	Ottawa, March 24, 2005
W. D. SINCLAIR *Acting Chief Accountant*	DAVID A. DODGE *Governor*

[15-1-o]

Top of page