



# Office of the Superintendent of Financial Institutions

## Appearance Before the House of Commons Standing Committee on Finance

Ottawa, Ontario

January 21, 2022

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OSFI  
BSIF

Canada 

# Appearance Before the House of Commons Standing Committee on Finance

## Opening remarks

- [Remarks by Superintendent Routledge at the House of Commons Standing Committee on Finance, January 21, 2022](#)

## Thematic Responsive Key messages

### Who is OSFI and what we do

Top level messages:

- Our job at OSFI is to strengthen public confidence in the Canadian financial system. We do this by supervising financial institutions to ensure their Boards of Directors and senior managers keep their institutions in sound financial condition and adopt smart, forward-looking policies to manage risk.
- We do this by being risk-based in the broadest sense, after evaluating system-wide risks that could impair the soundness of banks, insurers and federal private pension plans.
- OSFI is forward looking and has put in place plans to continue to be agile and well prepared to meet the challenges of a changing risk environment, including the challenges that inflation can pose to the can financial system.
- We focus on monitoring and understanding the risks in the financial system and taking timely, prudent action that promotes resilient financial institutions and pension plans.

Narrative:

Since its establishment in 1987, OSFI has contributed to the soundness of Canada's financial system.

OSFI's purpose is to contribute to public confidence in the Canadian financial system. Traditionally we have done this by regulating and supervising banks, most insurance companies as well as a significant portion of private pension plans. By doing this Canadians can feel safe using the institutions and pension plans that we regulate knowing that their money, policy, or plan will be there when they need or want it.

However, strengthening public confidence in Canada's financial system also means that we are risk-based in the broadest sense, balancing our strategic response to financial system risks with prudential regulation and supervision activities.

In doing this, OSFI supports the government's objective of contributing to public confidence in the Canadian financial system.

- [OSFI Brochure](#) (while mandate description is a dated there remains some valuable plain language content on interactions with the rest of government)
- [OSFI Blueprint](#)

## **OSFI's relationship with rest of government**

Top level messages:

- OSFI is a key contributor to the federal financial regulatory framework.
- Our mandate focuses on supervising banks, insurance companies and federal private pension plans to ensure that they are complying with legislation and regulation.
- Through this work and our broader monitoring we gain insight into risks on the horizon and work with our partners to support effective responses that contribute to stability and confidence in the Canadian financial system.

Narrative:

OSFI reports to the Parliament of Canada through the Minister of Finance. Various formal and informal processes are used to ensure effective execution of OSFI's mandate.

For example, the Financial Institutions Supervisory Committee (FISC), whose members are OSFI, the Department of Finance, the Bank of Canada, the Canada Deposit Insurance Corporation (CDIC), and the Financial Consumer Agency of Canada (FCAC), meets on a quarterly basis to facilitate the exchange of information on matters relating to the supervision of federally regulated financial institutions.

Additionally, OSFI works with provincial counterparts and consults regularly with industry stakeholders. Our work also recognizes that financial institutions operate within an extensive worldwide business web; their products and the markets in which they operate are increasingly global, complex and interconnected.

To monitor issues that affect the global financial system, OSFI collaborates extensively with international bodies like the Financial Stability Board (an initiative of the G-20), the Basel Committee on Banking Supervision, and the International Association of Insurance Supervisors.

OSFI has earned a strong international reputation through its active participation in such international organizations, which play a key role in the development of regulatory and supervisory standards for banks and life insurers.

- [FISC infographic](#)

## **How OSFI views inflation**

Top level messages:

- The volatility and price increases we see today in Canada's economy are the result of a blend of international and domestic economic changes and stresses.
- There is no one simple solution, but there are contributions from multiple agencies at all levels of government that can help to address the risks.
- OSFI's approach focuses on the quality and effectiveness of risk management at the institutions and plans we supervise in dealing with changes in the economy.

Narrative:

The drivers of inflation are as complicated and varied as the impacts that inflation can have on the Canadian economy and the lives of Canadians. Canada is geographically, economically and demographically diverse and many federal, provincial and local governments have a role in contributing to good outcomes.

OSFI's responsibility is to ensure that the institutions and plans we supervise are effectively managing the risks in the environment. However, a key element in Canada, and in our mandate, is the recognition that institutions should be free to compete effectively and take reasonable risks.

This requires us to have a balanced, broader and longer view of not just current risks but those that are on the horizon and take actions that are consistent with our mandate. Being a prudential regulator means that we often take actions and set expectations in advance of risks materializing. An example of this work is the build-up of the Domestic Stability Buffer, its lowering at the beginning of the pandemic and the subsequent increases when the most acute risks had passed.

## **How OSFI interacts with the housing finance industry and housing inflation**

Top level messages:

- Mortgage loans are a significant part of many banks' lending operations and often the single largest financial commitment Canadians make.
- While OSFI is not a price or affordability regulator, we contribute to a strong housing finance system by setting out sound underwriting expectations that remain key to resilience to lenders and borrowers alike during both good and bad economic conditions.

Narrative:

Our Guideline B-20 on sound residential mortgage underwriting practices has been in-force for nearly 10 years. It was built upon lessons from the global financial crisis and on clear principles that support good decision making by lenders. The Guideline has been revised over the past ten years to reflect changes in industry practices, products and evolving risks in Canada's housing finance system.

There are many factors that influence the house price volatility we are seeing. The combined forces of new supply-chain challenges, low interest rates, increased demand combined with a lack of supply, and inflation rates that we haven't seen in decades, are all beginning to shape the near and long-term risks that Canadians will need to face.

Some observers have reasonably pointed out that the strain of the B-20 mortgage qualifying rate (MQR)—the so-called "stress test"—falls unevenly on new home buyers; that is fair - it adds to the already high burden of large down payments required by high home prices. But sacrificing this margin of safety is not the optimal solution. Particularly when there are near term and long-term risks to consider when looking at Canada's mortgage market.

The measures that OSFI puts in place, such as the MQR, support sound underwriting for lenders and adds a buffer of resilience for borrowers. The MQR applies to uninsured mortgages - that is, residential mortgages with a down payment of 20 percent or more – and is the greater of the mortgage contract rate plus 2 percent or 5.25 percent. This means that borrowers must qualify at a rate well above their contracted mortgage rate. We confirmed this rate in December as it remains a prudent buffer.

The MQR strongly contributes to the safety of Canada’s financial system in several ways. Including, building in resilience so that households are better able to withstand a shock of lost employment or higher interest rates. It also leans against the tendency of some homebuyers to over-extend themselves in taking on debt.

- [Blueprint](#)
- [Superintendent Speech: Emerging Prudential Risks in Housing, November 23, 2021](#)

## **How OSFI views the evolution of combined mortgage/HELOC loan plans and whether or not they contribute to housing inflation**

Top level messages:

- OSFI has been reviewing the evolution of Combined Loan Products for some time.
- As the prudential regulator, OSFI’s role includes identifying unsustainable lending practices before they become a systemic risk issue. CLPs fall into this category of potential risk exposures.
- While some Canadians are taking advantage of low interest rates offered through CLPS to, for example, consolidate debt or renovate their homes, there are also some investors who are taking advantage of the current low interest environment to generate a return.
- The prudent actions that we are taking place reasonable limits around these products.
- OSFI is satisfied that our actions will not negatively affect housing affordability in Canada.

Narrative:

OSFI has begun work with federally regulated lenders to assess CLP. A CLP is a Real Estate Secured Loan (RESL) with various structures in which principal pay-downs could be re-advanced without re-approval. These structures generally include an amortizing mortgage portion and an interest only HELOC portion.

As the prudential regulator, OSFI’s role includes identifying unsustainable lending practices before they become a systemic risk issue. CLPs fall into this category of potential risk exposures. The current Canadian housing market conditions have the potential to put a significant number of CLP borrowers and lenders at increased financial risk.

Media reports of note

The issue of Combined Mortgage-HELOC Loan Plans has garnered some media attention.

Quotes of note

- Peter Routledge, superintendent of financial institutions, has warned that lending products backed by housing could further inflate the issue. "Non-traditional housing-backed lending products like combined mortgage-(home equity line of credit) loan plans ('CLPs'), which can have re-advanceable structures embedded within them, may be simultaneously fuelling and helping Canadians afford rising home valuations," he said. [Postmedia](#) (2022-01-12)
- Routledge said OSFI must “remain vigilant” as household credit risk is growing “marginally more fragile” and is calling for a more aggressive response to Canada's housing supply-demand imbalance. However, he doesn’t fault investors for seeing an opportunity. “Secondary buyers -- the investors -- they're making investments to generate a return. That's a free-market economy, more power to them,” he said in an interview Wednesday. (...) [Bloomberg](#) (2021-11-24)

## **Other expected questions based on Members' previous questions**

1. Is the actual rate of inflation currently underreported?
2. How does OSFI consider inflation in its supervisory and regulatory actions?
3. Can you explain what other "buffers" or measures OSFI has in place to deal with inflation?
4. Does OSFI have the tools and resources it needs to help protect Canadians?
5. Are banks being fair to consumers? (fees, services, rates...)
6. Is OSFI concerned about the rapid increase in house prices and the huge increase in variable rate mortgages and HELOCs?
7. With the explosion of house prices, why didn't OSFI change its stress test in December?
8. Where did the \$400B of increased government liquidity during COVID-19 come from and where did it go?
9. Is there a housing bubble? What are you doing about it?
10. How concerned should the Committee be about non-resident investment in Canada's housing market?
11. What would you suggest to make housing more affordable (changes to amortization, down payments...)?
12. Are there other witnesses you would recommend to the Committee to discuss this motion?
13. Do demographics have an impact on current economic projections?

## **Reference material**

### **Summary of 2021 election campaign financial sector commitments by party**

#### **Liberal Election Platform 2021 relevant to OSFI**

##### **OSFI's Mandate**

##### **Housing**

- Ban new foreign investors not living or moving to Canada from buying homes here for a two year period
- Will increase the power of federal regulators to respond to housing price fluctuations
- Create a new Home Buyers' Bill of Rights that will:
  - Ban blind bidding
  - Establish legal right to home inspection
  - Impose an anti-flipping tax on home sales that require owners to hold a property for at least 12 months before reselling
  - Ensure banks and lenders offer mortgage deferrals for up to 6 months in the event of job loss or major life event
- Will double First-Time Home Buyer's Tax Credit
- Create rent-to-own program
- Extend the national tax on non-resident, non-Canadian owners of vacant, underused housing, announced to begin January 1, 2022 to include foreign-owned vacant land within large urban areas

##### **FISC + Industry**

##### **CMHC**

- 25 per cent lower rates on CMHC mortgage insurance
- Increase the insured mortgage cut-off from \$1 million to \$1.25 million
- Expand the eligibility requirements of the CMHC deep home retrofit program and Canada Greener Homes Grant to include more climate resilience measures

## **Banking**

- Will raise the corporate income tax rate by 3 per cent on all bank and insurance companies earnings over \$1 billion.
- Implement a temporary Canada Recovery Dividend, to be paid by these same large banks and insurance companies.
  - The allocation of this dividend between applicable institutions will be developed in consultation with OSFI.
  - Would be levied over a four-year period
  - See details relating to this announcement [here](#).
- Modernize the federal anti-avoidance rule regime to restrict the ability of federal regulated entities, including financial institutions such as banks and insurance companies, to use tiered structures as a form of corporate tax planning that flows Canadian-derived profit through entities in low-tax jurisdiction

## **FINTRAC**

- Will establish a new Canada Financial Crimes Agency that will investigate complex financial crimes
  - Will invest \$200 million over the next four years
  - Will combine resources of the RCMP, FINTRAC and CRA

## **Other**

- Read the full platform [here](#).
- Will adapt and apply the Canada Business Corporations Act diversity requirements to federally regulated financial institutions to ensure diversity among senior ranks of the financial sector.



## **Conservative Election Platform 2021 relevant to OSFI**

### **OSFI's Mandate**

#### **Housing**

- Ban foreign investors not living in or moving to Canada from buying homes here for a two year period after which it will be reviewed.
- Remove the requirement to conduct a stress test when a homeowner renews a mortgage with another lender instead of only when staying with their current lender.
- Change the mortgage stress test to stop discriminating against small business owners, contractors and other non-permanent employees including casual workers.
- Encourage a new market in seven- to ten-year mortgages to provide stability both for first-time home buyers and lenders, reducing the need for mortgage stress tests.

#### **Pensions**

- Will change legislation to ensure that pensioners have priority over corporate elites in bankruptcy or restructuring.
- Better protect pensions by:
  - Preventing executives from paying themselves bonuses while managing a company going through restructuring if the pension plan is not fully funded.
  - No longer forcing underfunded pension plans from being converted to annuities.
  - Requiring companies to report the funding status of their pension plans more clearly.

#### **FISC + Industry**

##### **FINTRAC**

- Implement comprehensive changes to the Proceeds of Crime and Terrorist Financing Act, and give FINTRAC, law enforcement, and prosecutors the tools necessary to identify, halt, and prosecute money-laundering in Canadian real estate markets.
- Closely examine the findings and recommendations of the Commission of Inquiry into Money Laundering in British Columbia and quickly implement recommendations at the federal level.

##### **CMHC**

- Increase the limit on eligibility for mortgage insurance and index it to home price inflation, allowing those in high-priced real estate markets with less than a 20% down-payment an opportunity at home-ownership.

#### **Banking**

- Bring in legislation on open banking so that Canadians can connect with fintech companies that can provide a better offer for banking services such as a mortgage, line of credit or credit card.
- Ordering the Competition Bureau to investigate bank fees.
- Requiring more transparency for investment management fees. This will include requiring the banks to show investment returns net of fees.

## Other

- Read the full platform [here](#).
- Will implement a national action plan on floods, including establishing a residential high risk flood insurance program to ensure all Canadians are financially protected and avoid future government bailouts.

## **NDP Election Platform 2021 relevant to OSFI**

### **OSFI's Mandate**

#### **Housing**

- Will put a 20 per cent Foreign Buyer's tax on the sale of homes to individuals who are not Canadian citizens or Permanent Residents.
- Will double First-Time Home Buyer's Tax Credit and transform it into a rebate

#### **Pensions**

- Will make sure when a company goes bankrupt that unfunded pension liabilities owed to workers, and employees' severance pay, are the top priority for repayment.
- Will stop companies from paying out dividends and bonuses when pensions are under-funded, and will create a mandatory, industry-financed pension insurance program.

#### **FISC + Industry**

##### **FINTRAC**

- Will target money laundering and organized crime within the housing sector by making it harder to hide behind nameless companies and giving regulators more "teeth".

##### **CMHC**

- Proposing the creation of 30-year mortgages insured by the CMHC.
- Will provide resources to facilitate co-housing, such as model co-ownership agreements and connections to local resources and offer CMHC backed co-ownership mortgages.

#### **Banking**

- Limit credit card merchant fees to one per cent.

#### **Other**

- Read the full platform [here](#).

## **Bloc Québécois Élection Platform 2021 relevant to OSFI**

### **OSFI's Mandate**

- Not applicable.

### **FISC + Industry**

- Not applicable.

### **Other**

- Read the full platform [here](#).

## List of Members and their Bios

- [Standing Committee on Finance, 44<sup>th</sup> Parliament, 1<sup>st</sup> Session - Committee members](#)

## Most recent announcement of the Government's National Housing strategy

- [Government of Canada Announces \\$118.2 million to Support Canadians with Housing Need](#)

"...As part of the National Housing Strategy, the Government of Canada has invested \$500 million over 10 years for a Federal Community Housing Initiative (FCHI) to protect affordability for residents. These funds will stabilize the operations of some 55,000 community housing units with operating agreements under federal administration having come to an end post April 1, 2016.

Today, the Honourable Ahmed Hussen, Minister of Housing and Diversity and Inclusion, announced an additional \$118.2 million over seven years, for Phase 2 of the FCHI for former federally administered housing providers whose agreements expired prior to April 1, 2016. These funds are estimated to be able to support and stabilize the operations of some 18,000 community housing units by ensuring affordability for low-income residents."

## Recent social media from Committee Members



@PierrePoilievre

January 17, 2022

Breaking: Real estate association today reports record-breaking 26% housing inflation for December, after government pumped \$400B of newly-created cash into financial and mortgage markets. Finance Committee starts investigating housing inflation today.

## **Standing committee on finance - Monday, January 17, 2022**

[Transcript from meeting of January 17, 2022](#)

The Chief Statistician appeared before the Committee on January 17, 2022. Many of the questions focused on the composition and methodology of the Consumer Price Index and comparisons against data reported by others like CREA. There was a particular focus on house price increases but Committee members also asked about cost of living, used car price measurement, and the impact of Government measures at the onset of the pandemic.

## **Other parliamentary appearance where OSFI/B-20 was discussed**

### **44<sup>th</sup> parliament, 1<sup>st</sup> session edited Hansard – No. 014 - Thursday, December 9, 2021**

[Transcript from meeting of December 9, 2021](#)

- Finance Critic Pierre Poilievre discusses \$400 billion increase in money supply, the relation to inflated housing prices, and Canadians borrowing against their home equity to “buy more assets which further inflates asset bubbles”.
- MP Michael Chong states that “the government has overseen a regulatory system in our financial sector that is putting households at risk, which is leading to skyrocketing housing prices, and it is also overseeing fiscal policies that have exacerbated the problem we see in the country today”.
- MP Michael Chong also stated that “the government's failure to properly oversee and regulate the banking system and its failure to properly manage fiscal policy” fueled the housing crisis in Canada. He noted, **OSFI** and CMHC are responsible for allowing mortgage credit to grow at unsustainable levels.

## **Standing committee on finance – Thursday, April 1<sup>st</sup>, 2021**

[Transcript from meeting of April 1<sup>st</sup>, 2021](#)

- Evan Siddall appeared before the House of Commons Finance Committee on April 1, 2021. There were two references to OSFI (one by the Chair and by Evan Siddall).

## **Previous appearance by a Superintendent**

- [Remarks by Jeremy Rudin and Ben Gully to the House of Commons Standing Committee on Finance – May 21, 2020](#)
- [Standing committee on finance – Thursday, May 21, 2020](#)
- [Follow-up responses from OSFI on questions posed by members on May 21, 2020](#) explaining the extraordinary liquidity measures put in place to respond to COVID-19. Sent May 27, 2020
- An [example of a social media references](#) by a former member of the Committee, who is now the Deputy Finance Critic for the NDP.

## **Most recent appointments**

On October 26, Hon. Chrystia Freeland was confirmed as Minister of Finance and Deputy Prime Minister. Randy Boissonnault was sworn in as the Associate Minister of Finance.

Hon. Ahmed Hussen was appointed as the Minister of the newly created ministry of Housing and Diversity and Inclusion.

Both of the following mandate letters include commitments to reviewing down payments on investment properties.

- [Deputy Prime Minister and Minister of Finance mandate letter](#)
- [Minister of Housing and Diversity and Inclusion mandate letter](#)

On October 29, the NDP announced that Daniel Blaikie would be the NDP Party's Finance Critic, and Peter Julian was named the party's Deputy Finance Critic.

On November 9, it was announced that Pierre Poilievre, would be the Conservative Party's Finance Critic.

High Level OSFI facts that may be helpful to add context for the Committee members.

OSFI employs approximately 860 professionals in offices across the country. While nearly all are working from home our offices are located in Montreal, Ottawa, Toronto and Vancouver.

We supervise more than 400 federally regulated banks and insurers and 1,200 federal private pension plans.

- Banks (83)
- Trust Companies (42)
- Loan Companies (15)
- Life Insurance Companies (62)
- Fraternal Benefit Societies (11)
- Property & Casualty Insurance Companies (147)

For other corporate references on Budgets and activities see the [Annual Report 2020-21](#).

## **Direct Contact with Parliamentarians**

Since OSFI's last appearance in May 2020, we have received the following inquiries from MPs:

In May 2020, A member asked for some background information on bail-in. We referred the member to "How bail-in works" information on the CDIC website.

In June 2020 we received two inquiries from Parliamentarians on behalf of constituents about the pension portability freeze put in place at the onset of the pandemic. We responded with the rationale for the change and subsequently followed up with the member's offices when the freeze was lifted in August.

In August 2020, we received an inquiry from an MP enquiring on behalf of an elderly constituent having challenges obtaining a reverse mortgage. We responded that institutions are responsible for their own individual underwriting decisions and referred the member to the consumer-focused reverse mortgage information on the FCAC website.

In September 2020, we received one request relating to a constituent's question about qualifying for mortgage refinancing while collecting CERB. We answered that there is no specific OSFI policy about the treatment of CERB recipients. As with all business decisions, it is up to financial institutions themselves to assess the ability of borrowers to pay their mortgage. We indicated that they may wish to consider contacting FCAC or looking at this site on mortgages that includes a section on renewals for more information.

In March 2021, a member contacted us and the Minister of Finance about a constituent's concerns in setting up a RDSP for their daughter who has a development disability. The constituent wanted a simple product that did not require direct management and asked for legislative changes. We responded with empathy for the situation and referred them to the Department of Finance to address the portion concerning legislative changes.

In May of 2021, a member asked what role OSFI plays in regulating bank fees. We explained OSFI's role and that pricing and fees are outside of our mandate.

In January of 2021, a member asked for information on the total amount mortgages paid since the 1980's. We responded with a link to what data is available going back to 1990 on the StatsCan website that includes a breakdown of mortgage interest and principle payments.

In December 2021, [Information was severed in accordance with the *Access to Information Act*] requested an informal meeting to occur in the new year with the Superintendent to discuss OSFI and the Canadian banking and financial system. [Information was severed in accordance with the *Access to Information Act*]. A mutually convenient time is currently being arranged and the invitation was also extended to the Minister of Finance's office.

Most recently in January 2022, we have been asked by a staffer for a member recently for a list and composition of what constitutes regulatory capital. Public information was used to compile a response explaining the capital ratios and the various Tiers. A consolidated balance sheet was also provided for all banks in Canada to help elaborate what assets and liabilities they hold. Here is a link for reference if asked about general exposures:

### **Total All Banks Consolidated monthly balance sheet**

As At October 31, 2021  
(in thousands of dollars)

Section I - Assets	Foreign Currency	Total Currency
<b>1. Cash and cash equivalent</b>		
(a) Gold, bank notes, deposits with Bank of Canada, cheques and other items in transit	24,080,318	310,547,091
(b) Deposits with regulated financial institutions, less allowance for expected credit losses	375,101,351	414,001,816
<b>2. Securities</b>		
(a) Securities issues or guaranteed by Canada/Canadian Province/Canadian Municipal or School Corporation, less allowance for expected credit losses where applicable		
(i) Treasury Bills and other short term paper	9,094,885	126,065,236
(ii) Other securities	23,554,404	244,888,863
(b) Other securities, less allowance for expected credit losses where applicable		
(i) Debt	717,793,975	783,397,045
(ii) Shares	238,432,051	376,815,627
<b>3. Loans</b>		
(a) Non-Mortgage Loans, less allowance for expected credit losses		
(i) Call and other short loans to investment dealers and brokers, secured	4,039,358	4,714,874
(ii) To regulated financial institutions	84,746,260	95,640,341



(iii) To Canadian federal government, provinces, municipal or school corporations	4,306	3,812,557
(iv) To foreign governments	22,263,300	22,263,300
(v) Lease receivables	13,968,659	31,314,406
(vi) To individuals for non-business purposes	118,414,378	657,460,019
Of (A) Secured by residential property	15,028,775	281,892,995
which: (B) Secured by other than residential property	62,698,909	181,794,507
(vii) Reverse repurchase agreements	585,872,311	817,653,897
(viii) To individuals and others for business purposes	543,390,281	954,131,644
Of (A) Secured by residential property	7,036,014	40,678,738
which: (B) Secured by other than residential property	276,587,798	515,872,498
(b) Mortgages, less allowance for expected credit losses		
(i) Residential		
(A) Insured	1,246,788	462,251,910
(B) Of which: NHA MBS pooled and unsold	0	137,306,739
(C) Uninsured	122,013,916	1,127,789,467
(D) Reverse Mortgages	451,495	4,972,745
(ii) Non-residential	58,209,645	151,418,502
4. Customers' liability under acceptances, less allowance for expected credit losses	979,863	94,052,356
5. Land, buildings, and equipment, less accumulated depreciation	13,913,180	32,150,491
6. Other assets, less allowance for expected credit losses where applicable		
(a) Insurance-related assets	289,755	11,037,176
(b) Accrued interest	5,055,790	11,889,345
(c) Prepaid and deferred charges	1,598,013	7,625,656
(d) Goodwill	33,767,996	48,690,715
(e) Intangibles		
(i) with definite lives	4,874,380	16,353,737
(ii) with indefinite lives	203,269	5,149,241
(f) Deferred tax assets	4,019,004	9,336,726
(g) Derivatives related amounts	-205,843,084	291,869,193
(h) Due from Head Office and related Canadian regulated Financial Institutions	10,910,200	22,280,723
(i) Interests in associates and joint ventures	17,022,659	19,481,159
(j) Other	109,301,172	154,457,756
<b>Total Assets</b>	<b>2,938,769,878</b>	<b>7,313,513,614</b>

**Total All Banks**  
**Consolidated monthly balance sheet**

As At October 31, 2021

(in thousands of dollars)

Section II - Liabilities	Foreign Currency	Total
<b>1. Demand and notice deposits</b>		
(a) Federal and Provincial	4,037,261	31,284,562
(b) Municipal or School Corporations	196,404	55,676,957
(c) Deposit-taking institutions	21,586,973	62,582,350
<b>(d) Individuals</b>		
(i) Tax sheltered	7,080,662	123,098,860
(ii) Other	557,487,383	1,344,400,948
(e) Other	704,986,929	1,530,563,405
<b>2. Fixed-term deposits</b>		
(a) Federal and Provincial	502	4,116,921
(b) Municipal or School Corporations	0	5,603,653
(c) Deposit-taking institutions	100,077,475	131,095,566
<b>(d) Individuals</b>		
(i) Tax-sheltered	89,010	103,195,874
(ii) Other	65,722,187	329,035,879
(e) Others	976,142,872	1,258,223,483
<b>3. Cheques and other items in transit</b>	<b>6,417,953</b>	<b>8,032,830</b>
<b>4. Advances from the Bank of Canada</b>	<b>0</b>	<b>2,021</b>
<b>5. Acceptances</b>	<b>981,139</b>	<b>94,332,979</b>
<b>6. Other liabilities</b>		
<b>(a) Liabilities of subsidiaries, other than deposits</b>		
(i) Call and other short loans payable	0	182,716
(ii) Other	25,375,419	25,907,083
(b) Insurance-related liabilities	-311,282	39,523,752
(c) Accrued interest	2,795,665	8,147,343
(d) Mortgages and loans payable	15,410,176	213,174,638
<b>(e) Income taxes</b>		
(i) Current	750,258	5,193,161
(ii) Deferred	332,556	1,954,164
(f) Obligations related to borrowed securities	82,572,793	203,124,186
(g) Obligations related to assets sold under repurchase agreements	510,677,524	730,545,894
(h) Deferred income	1,196,109	6,105,274
(i) Derivative related amounts	-261,382,747	277,932,939
(j) Due to Head Office and related Canadian regulated Financial Institutions	25,013,034	57,106,572
(k) Other	101,536,127	197,048,790
<b>7. Subordinated debt</b>	<b>8,632,551</b>	<b>42,557,531</b>
<b>8. Shareholders' equity</b>		
(a) Preferred shares	0	33,327,265

(b) Common shares	0	100,902,112
(c) Contributed surplus	14,603	1,845,694
(d) Retained earnings		277,551,198
(e) Non-controlling interests	194,931	2,369,385
(f) Accumulated Other Comprehensive Income (Loss)		7,767,629
<b>Total liabilities and shareholders' equity</b>	<b>2,957,614,467</b>	<b>7,313,513,614</b>