BANK OF CANADA
BANQUE DU CANADA

Annual Report 2024

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Governor's foreword

The last few years have been tough for Canadians and challenging for the Bank of Canada. But as 2024 ends, our economy is in much better shape. So, by way of introduction to this Annual Report, I hope you will permit me an un-Canadian boast on behalf of all the dedicated employees at the Bank—because I know they won't do it themselves.

The last five years have been the biggest test of Canada's inflation-targeting framework since its inception over 30 years ago. I won't pretend we got everything right. Nor will I minimize the burden of elevated inflation and higher interest rates on households and businesses.

But it's worth heralding 2024 as the year we returned inflation to target. Since the summer, inflation has hovered around the 2% target, and it ended the year at 1.8% in December. Notably, we navigated our way back to 2% inflation without triggering a recession. Yes, economic growth was modest in 2024—but the economy continued to expand and add jobs, even as inflation came down.

With inflation moving towards our target, we began lowering interest rates in June, and we cut our policy rate at the four remaining monetary policy decisions in 2024. This included three cuts of 25 basis points and two larger cuts of 50 basis points, lowering the policy rate by a total of 175 basis points—from 5.0% to 3.25% by the end of 2024.

Guided by our inflation-targeting framework, we took forceful action to control inflation in 2022 and 2023. It worked. In 2024 low inflation was restored and we reduced interest rates.

Governor Tiff Macklem speaks at the Montreal Council on Foreign Relations in February about the effectiveness and limitations of monetary policy.
Credit: Conseil des relations internationales de Montréal

We're entering 2025 in good shape. Lower interest rates are beginning to boost consumer spending and housing activity, and we expect further strengthening as these lower rates work their way through the economy. With inflation back to target and household and business expectations of inflation once again looking normal, trust in the Bank of Canada as measured by our own surveys of Canadians rebounded after taking a hit in 2022-23. In fact, citizens' opinion of the Bank has risen in almost all the measures we track.

This year also marked an important milestone in the work we do to assess risks to the financial system. We deployed a broader, system-wide surveillance framework, and more detailed analysis of the financial stresses facing households, banks and businesses. We reflected this work in our enhanced spring publication, which has been renamed the *Financial Stability Report*. Our robust assessment of risks to the financial system will also better inform monetary policy decisions, reflecting the important role the financial system plays in the transmission of monetary policy.

In fact, promoting economic and financial system resilience was a key focus of the Bank's international work in 2024. Together with partners around the world, we discussed topics such as increasing economic fragmentation, technological innovation, climate change, and cyber security. As Canada assumes the presidency of the G7 in 2025, the Bank will continue to lead difficult discussions on shared global issues.

Back at home, the Bank also reached an important milestone in our new mandate to supervise Payment Service Providers (PSPs). On November 1st we began receiving applications from PSPs to register with the Bank. Leading up to this, staff worked tirelessly to ready our operational capacity, build industry awareness, and develop our supervisory framework. Next year we will begin our official supervision and enforcement duties.

One cannot think of payments without considering the Bank's role in providing Canadians with secure bank notes. In 2024, we ramped up our work on a new $20 bill, which will be vertical in design. It will continue to feature the Vimy Memorial and will introduce a portrait of His Majesty King Charles III. And in December 2024, the Government of Canada announced that Terry Fox will be featured on a new $5 note. These redesigned notes will feature next-generation security features so that Canadians can trust the safety of bank notes.

Building trust and awareness was a common theme across all the key functions of the Bank. The effectiveness of our work depends on people understanding our actions and trusting that we are making decisions in their best interests. To this end, we've ramped up our social media presence and engagement, and we're making bold efforts to publish content across a variety of channels that will help Canadians better understand what we do, and why.

In 2024, we expanded our outreach and consultation program. This included regular visits by Governing Council members to meet with people in communities across the country, listening and learning about their economic realities. The Bank of Canada Museum staff ramped up its efforts to build economic literacy, including the launch of a new "You Are the Economy" resource for teachers.

Accountability and transparency are vital to trust. In 2024 we began holding press conferences after every interest rate announcement to explain our decisions, and we published a Summary of Deliberations that lays out the issues Governing Council considered. We redesigned our *Monetary Policy Report* as a fully digital document to make more data behind our forecasts easier to access. And we undertook a comprehensive review of the extraordinary actions we took to unfreeze financial markets and support the economy during the COVID-19 pandemic. This review was published early in 2025, alongside an independent external assessment. Both are important stepping stones in continuous improvement, a commitment to learning and building future resilience.

As I said at the outset, none of this could have been achieved without our talented and dedicated employees. Let me take this opportunity to celebrate and thank our employees across Canada who are central to our success.

In 2024 the Bank was named one of Canada's Top 100 Employers for the 15th consecutive year. We continued to foster greater equity, diversity and inclusion in our work, which has made us a stronger institution. A particularly important accomplishment this year was the release of the Bank's first Reconciliation Action Plan, which aims to both deepen our understanding of Indigenous economies in Canada and build an equitable and inclusive organizational culture here at the Bank.

> Governor Tiff Macklem poses with participants at the National Indigenous Economic Strategy for Canada event in June.
> Credit: Fred Cattroll

This year we also announced a new Strategic Plan for the 2025-2027, which will see me through to the end of my term as Governor in June 2027. We have some big things to accomplish. By the end of 2026, we will renew our monetary policy framework. Our framework has served Canadians very well through thick and thin, and I am committed to ensuring we have the best framework for the future. We will also be launching the new $20 note in early 2027. Our bank notes are our most tangible product—they must be convenient and secure.

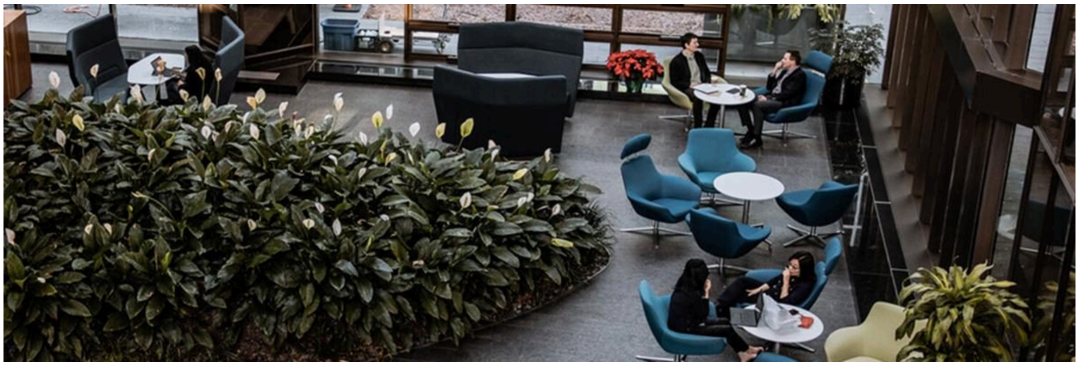
To better organize the Bank for success in executing our strategic plan and mandate, we realigned our management and governance structure in 2024. This included updating the structure of our Executive Council and launching a process to appoint a second external Deputy Governor in 2025. And we continued to strengthen our operational infrastructure, build cyber resilience, and reduce our carbon footprint.

As 2024 closes, inflation is back to target, and we are committed to maintaining price stability. At the same time, we are looking ahead and preparing for new challenges. Threats of additional tariffs on exports to the United States are a major source of uncertainty, and we need to be ready.

Whatever the future may bring, we will continue to provide rigorous, evidence-based analysis on the economy. We will take monetary policy decisions guided by our inflation-targeting framework and independent of the political process. We will foster a stable financial system and support secure payments. These are our contributions to the economic and financial well-being of Canada and all its peoples.

I salute everyone at the Bank of Canada for delivering. And I thank Canadians for their trust. We strive to earn it every day.

Tiff Macklem
Governor



2024 by the numbers

2.4%
Consumer price index inflation

3.25%
Policy interest rate at year-end

1.3%
Canada's average annual real gross domestic product growth as estimated at December 31, 2024

15
Number of Governing Council outreach visits with Canadians across the country

$235.5
billion—Nominal value of marketable bonds issued by the Government of Canada in 2024

$121.3
billion—Value of bank notes in circulation as at December 31, 2024

9
parts per million (ppm)—Counterfeiting rate in Canada as at December 31, 2024

1,240
Number of payment service providers that submitted a registration application under the *Retail Payment Activities Act* by December 31, 2024

15
Consecutive years as one of Canada's Top 100 Employers

Social media followers at year-end

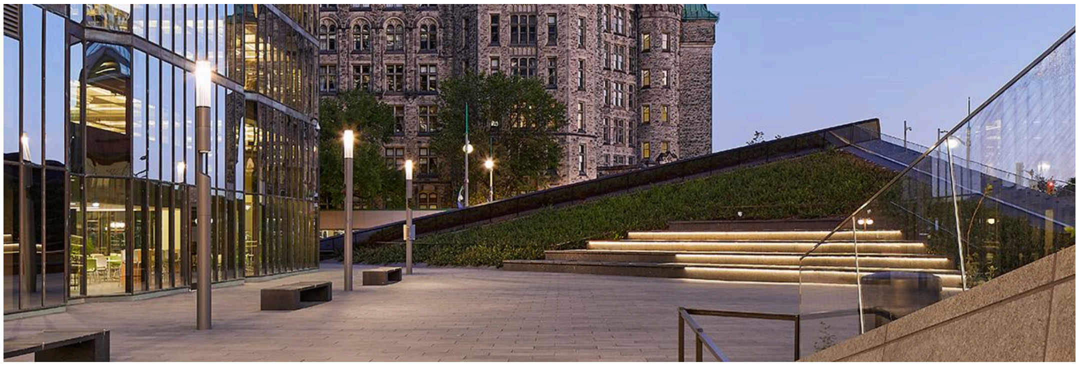
261,451
X (formerly known as Twitter)

218,143
LinkedIn

15,740
Instagram

15,400
YouTube

6,306
Facebook



Mandate and planning framework

Mandate

The Bank of Canada is the nation's central bank. Its mandate, as defined in the ***Bank of Canada Act***, is to promote the economic and financial welfare of Canada. Its vision is to be a leading central bank—dynamic, engaged and trusted—committed to a better Canada.

Learn more about the Bank and its independence.

The Bank has five core functions:

- **Monetary policy**—to keep inflation low, stable and predictable
- **Financial system**—to promote safe, sound and efficient financial systems within Canada and internationally
- **Currency**—to design, issue and distribute Canada's bank notes
- **Funds management**—to act as fiscal agent for the Government of Canada, advising on and implementing its public debt management and foreign exchange reserve strategies
- **Retail payments supervision**—to supervise payment service providers, building confidence in the safety and reliability of their services and helping protect users from specific risks

Efficient and innovative operations help the Bank achieve its mandate and business objectives.

Learn more about the Bank's core functions.

Planning framework

A robust planning framework enables the Bank to identify actions and outcomes that bring to life its vision and mandate. Every three years, it uses this framework to develop a strategic plan that sets the Bank's priorities and measures of success for the period.

The strategic plan enables the Bank to anticipate and adapt to an evolving environment, and it guides annual planning and budgeting activities. It also serves as the foundation for setting employee objectives.

In 2024, the Bank concluded its 2022–24 strategic plan and launched its next one for 2025–27: *Canadians Count on Us*. The new plan charts a clear and focused course of action for the coming three years, while leaving room for the flexibility and agility needed in a rapidly evolving environment.

Read *Canadians Count on Us: The Bank of Canada's 2025–27 Strategic Plan*.

Reporting

The Bank is committed to:

- publishing timely information about its activities
- reporting on its financial and non-financial performance during the year

Read the Bank's reports, statements, public awareness surveys and plans.

Monetary policy

In 2024, the Bank of Canada was successful in bringing inflation back to the 2% target. With inflationary pressures easing and with excess capacity in the economy, the Bank started lowering its policy interest rate in June. Thereafter, it reduced the rate four more times, bringing it to 3.25% by the end of the year. The Bank also continued to normalize its balance sheet with quantitative tightening.

Inflation in the consumer price index (CPI) fell from 2.9% in January to 1.8% in December. At the end of 2024, inflation was no longer broad-based. Inflation expectations and corporate pricing behaviour had returned to normal. While still elevated, inflation in shelter prices started easing.

Growth in real gross domestic product (GDP) in Canada was modest in 2024, reflecting the lingering effects of past monetary policy tightening. The labour market softened, and although wage growth was elevated, it began to ease.

Monetary policy is one of the Bank's five main areas of responsibility. Learn more about the Bank's **core functions**.

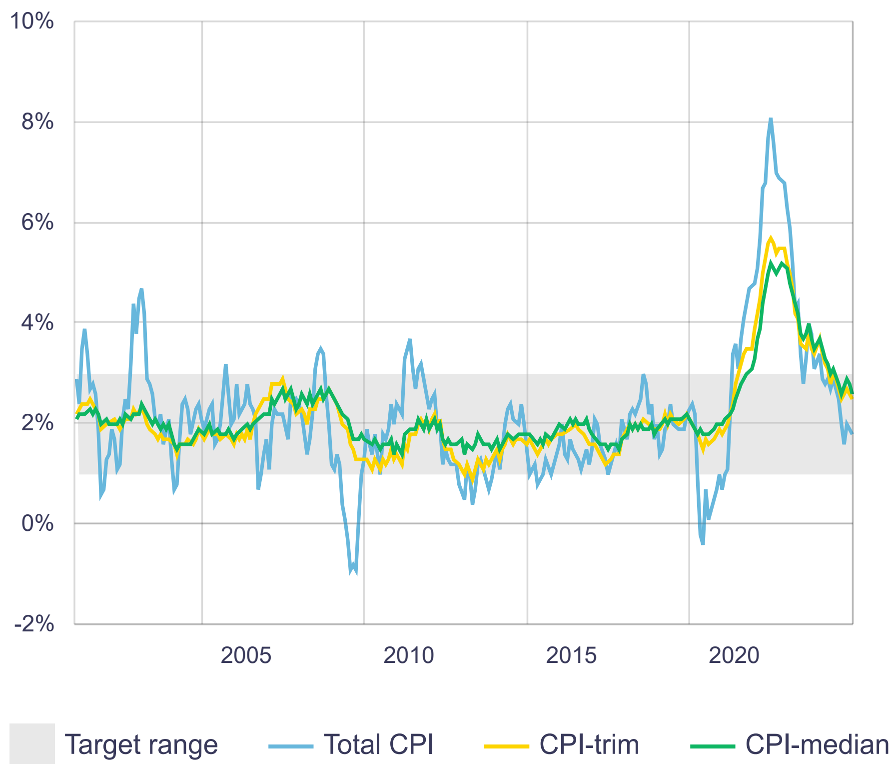
https://youtu.be/W9NdboEipQ4

Monitoring the Canadian economy

The Bank used timely and comprehensive information about the evolution of the Canadian and global economies to inform monetary policy. The Bank's ongoing monitoring of inflation dynamics, inflation expectations and GDP growth enabled it to determine the appropriate timing and pace of cuts to its policy interest rate.

Key inflation indicators and the target range

Year-over-year percentage change, quarterly data



Tracking inflation dynamics and expectations

In the first half of 2024, CPI inflation eased below 3%. Lower inflation for goods was a major contributor to the decline. However, inflation remained elevated and inflationary pressures were still somewhat broad-based. Shelter inflation was also still high.

By October, inflationary pressures were no longer broad-based. The share of CPI components growing above 3% had normalized. Inflation expectations declined as inflation eased. Firms and households surveyed in late 2024 expected inflation to be in the range of 2% to 3%.

Achievement of target for consumer price index (CPI) inflation

Key indicators	Reference level	2017	2018	2019	2020	2021	2022	2023	2024
CPI inflation (%)	2.0	1.6	2.3	1.9	0.7	3.4	6.8	3.9	2.4
Average CPI inflation since 2001 (%)									2.2
Inflation expectations at a 10-year horizon (%)	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.1

Assessing that the Canadian economy was in excess supply

After stalling in mid-2023, Canada's GDP growth strengthened in 2024, though improvements varied across sectors.

Consumption and government spending were the main contributors to GDP growth. At the same time, sectors sensitive to interest rates—such as housing and business investment—were weak. And while population increases supported spending, consumption per person remained soft in 2024.

The effects of past monetary policy tightening continued to restrain economic activity. The labour market eased further, and slack emerged—mostly among youth and newcomers to Canada. Overall, the economy was in excess supply in 2024.

Spending on housing and big-ticket items started to improve in the latter half of 2024, reflecting early impacts of the 2024 policy rate reductions.

Normalizing the Bank's balance sheet

Quantitative tightening continued to shrink the size of the Bank's balance sheet—bringing it from $316.8 billion at the end of 2023 to $277.2 billion at the end of 2024.

The Bank continued to prepare for when its balance sheet returns to normal levels in 2025. In March, it communicated when it believed quantitative tightening would end and what assets it would purchase to manage its balance sheet thereafter. [1]

Learn more about **quantitative tightening** and the Bank's **balance sheet**.

External Deputy Governor Nicolas Vincent gives a behind-the-scenes look to the Sherbrooke Chamber of Commerce and Industry in September about the Bank's monetary policy decision-making process.

Implementing monetary policy

More frequent overnight repo operations were necessary in 2024, in large part because of structural changes in the overnight funding market. The May 2024 transition from two days to one day for settling securities transactions in Canada, combined with increased hedge fund activity in the repo market, put upward pressure on CORRA, the measure of the cost of overnight general funding in Canadian dollars.[2] To address these pressures, the Bank made **adjustments** to its framework for overnight repo operations, which promoted trading at rates closer to the Bank's target.

Supporting the Bank's monetary policy function

Amid complex forces affecting supply, demand and inflationary pressures, the Bank's 2024 forecasts correctly anticipated that inflation would continue progressing toward the 2% target and that there would be a return to modest growth in Canada in 2024.

The Bank continued to refine its macroeconomic models. This includes enhancing its modelling of the supply side of the economy and developing alternative models of inflation.

Analyzing inflation dynamics and the transmission of monetary policy

Staff conducted research and analysis to improve the Bank's understanding of how inflation dynamics were evolving. This included exploring the effect of corporate price-setting behaviour on inflation, and differences in the inflation experiences of low- and high-income households.[3] Bank staff also continued to assess the transmission of monetary policy to the economy.[4]

The Bank also used its surveys to deepen its understanding of both inflation dynamics and the transmission of monetary policy.[5] Data collected from consumers, businesses and market participants offered insights into their experiences. Additionally, conferences hosted by the Bank brought together policymakers and academics to discuss a range of issues related to monetary policy.

Exploring the impact of structural changes in the Canadian economy

The Bank continued to investigate the effects that structural changes, such as demographic shifts and the transition to net-zero emissions,[6] could have on economies, both within Canada and around the world.

For example, staff examined how the pace of immigration was affecting inflation and the overall Canadian economy. The Bank revised its annual assessment of potential output in Canada based on its analysis of population growth and updated its assessment following federal government announcements to reduce inflows of permanent and non-permanent residents.[7]

The Bank also sought to better understand the dynamics of Canada's weak productivity growth,[8] and update its framework for assessing labour market trends.[9]

Senior Deputy Governor Carolyn Rogers speaks to the Halifax Partnership in March about the need to improve Canadian productivity.

Strengthening analysis in an increasingly complex world

Over the past several years, the Canadian economy has been hit by large and unprecedented shocks. These have included the COVID-19 pandemic, supply chain developments and changing immigration flows.

To better understand the implications of these and other developments for the Canadian economy, the Bank complemented its analysis of traditional data by using new and unconventional sources of information, leveraging cutting-edge techniques to draw new insights from them.

Learn more about how the Bank uses data to drive decision making.

At the same time, the Bank significantly expanded its efforts to connect with a broad audience across the country. These interactions provided opportunities for the Bank to learn directly from communities about the challenges they are facing. They also help increase the public's understanding of the Bank, its mandate and how it works to achieve its objectives.

Learn more about the Bank's regional outreach.

Drawing lessons from the past and planning for the future

In 2024, the Bank undertook an in-depth review of the exceptional policy actions it took during the COVID-19 pandemic. These included bond purchase programs to restore market-functioning, quantitative easing and extraordinary forward guidance.

The final report, including an external expert assessment of the review, was released in early 2025. The report presents the Bank's lessons learned alongside questions that will help guide future work.

Read the Bank's pandemic review report.

The Bank also developed a research agenda to guide the renewal of its monetary policy framework in 2026.

Looking forward

In 2025, the Bank will:

- continue to enhance its understanding of the drivers and dynamics of inflation
- finalize, communicate and implement its plans for managing its balance sheet and conducting monetary policy after quantitative tightening
- complete the development of a new suite of models that improve economic projections and support a risk-management approach to monetary policy
- draw on survey and outreach data to better understand what structural changes mean for monetary policy
- advance its research agenda and consultations for the upcoming renewal of the monetary policy framework

More information

Monetary policy: The right tool for the right job (remarks by Governor Tiff Macklem)

Monetary policy decision-making: Behind the scenes (remarks by Deputy Governor Nicolas Vincent)

Exceptional policies for an exceptional time: From quantitative easing to quantitative tightening (remarks by Deputy Governor Sharon Kozicki)

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1. T. Gravelle, "**Going back to normal: The Bank of Canada's balance sheet after quantitative tightening**" (speech delivered to the CFA Society Toronto, Toronto, Ontario, March 21, 2024).[←]

2. B. Plong and N. Maru, "**CORRA: Explaining the rise in volumes and resulting upward pressure**," Staff Analytical Note No. 2024-21 (August 2024).[←]

3. O. Bilyk, M. Khan and O. Kostyshyna, "**Pricing behaviour and inflation during the COVID-19 pandemic: Insights from consumer prices microdata**," Staff Analytical Note No. 2024-6 (April 2024).[←]

4. S. Gnocchi, F. McKellips, R. Sekkel, L. Simon, Y. Xie and Y. Zhang, "**The Output-Inflation Trade-off in Canada**," Staff Discussion Paper No. 2024-7 (July 2024).[←]

5. Bank of Canada, ***Canadian Survey of Consumer Expectations—Third Quarter of 2024*** (October 11, 2024).[←]

6. T. Duprey, S. Jo and G. Vallée, "**Let's Get Physical: Impacts of Climate Change Physical Risks on Provincial Employment**," Staff Working Paper No. 2024-32 (September 2024).[←]

7. T. Devakos, C. Hajzler, S. Houle, C. Johnston, A. Poulin-Moore, R. Rautu and T. Taskin, "**Potential output in Canada: 2024 assessment**," Staff Analytical Note No. 2024-11 (April 2024).[←]

8. C. Rogers, "**Time to break the glass: Fixing Canada's productivity problem**" (Speech to the Halifax Partnership, Halifax, Nova Scotia, March 26, 2024).[←]

9. E. Ens, A. Lam, K. See and G. Galassi, "**Benchmarks for assessing labour market health: 2024 update**," Staff Analytical Note No. 2024-8 (April 2024), and F. Bounajm, T. Devakos and G. Galassi, "**Beyond the averages: Measuring underlying wage growth using Labour Force Survey microdata**," Staff Analytical Note No. 2024-23 (October 2024).[←]

Financial system

The Bank of Canada plays an essential role in promoting the stability and efficiency of the Canadian financial system. In 2024, conditions in global financial markets generally improved. Over the year, inflation declined, and central banks began lowering their policy interest rates. However, geopolitical tensions increased and contributed to market uncertainty.

Against this backdrop, Canada's financial system remained resilient. The Bank urged financial system participants to continue actively planning for future periods of stress.

The financial system is one of the Bank's five main areas of responsibility. Learn more about the Bank's **core functions**.

Senior Deputy Governor Carolyn Rogers speaks to the Economic Club of Canada in November about Canada's mortgage market and how it has evolved over time.
Credit: Stacey Newman

Assessing risks to financial stability in Canada

Evolving the Bank's risk assessment framework

This year, the Bank's *Financial System Review* was renamed *Financial Stability Report* to reflect the evolution of how it assesses risks to financial stability in Canada. The Report presents the Bank's assessment of these risks using an enhanced, system-wide surveillance framework, which enables a rigorous, cross-sectoral perspective.

Learn more about the Bank's framework for assessing financial stability.

The 2024 Report concluded that although the Canadian financial system remained resilient overall, two key risks to stability exist: the ongoing adjustment of households and businesses to higher interest rates, and stretched asset valuations.

https://youtu.be/7GC7NswkDAE?si=g2lH02HlhfdUhrtB

Monitoring the ongoing adjustment to higher interest rates

The Bank analyzed a wide range of data to assess how households and businesses were adjusting to higher interest rates.

This analysis helped the Bank understand the diverse experiences of those facing increases in mortgage costs. For example, some households adjusted their mortgage payments in advance to reduce payment shock at renewal, while first-time homebuyers relied more heavily on parental support than in the past to quality for a mortgage.[10] Also, **mortgage stress tests** have improved the resilience of borrowers facing higher interest rate payments.[11]

Assessing the risks associated with overpriced assets

The Bank warned that a sharp correction in asset values, coupled with increased leverage in the non-bank financial intermediation sector, could lead to system-wide stress. It also noted that because the financial system is highly interconnected, a problem in one sector could spread to other sectors.

Bank staff examined the interdependencies between banks, non-bank financial institutions and markets. This included work that explored:

- how to measure contagion risk among Canadian financial institutions[12]
- how Canadian banks are exposed to foreign non-bank financial institutions[13]
- how the increasing use of leverage for relative-value trading strategies by non-bank financial institutions could affect financial stability[14]
- how Canadian life insurers manage liquidity risks during periods of stress

- how market structure affects liquidity in government bond markets[15]

Collaborating to enhance the Bank's financial stability assessments

The Bank continued to lead the **Heads of Regulatory Agencies Committee** and the **Systemic Risk Surveillance Committee**. Through these federal-provincial forums, public sector authorities share information and work together to promote the resilience of Canada's financial sector.

The Bank also began working with domestic authorities and the International Monetary Fund to complete an in-depth assessment of Canada's financial sector, which is conducted every five years. The report will be published in 2025.[16]

Analyzing the link between monetary policy and financial stability

The financial system plays a critical role in transmitting monetary policy to the economy. Therefore, the Bank considers risks to the financial system when making its monetary policy decisions. In 2024, Bank staff used microdata on individual loan characteristics—such as credit card spending and the timing of mortgage renewals—to look at how changes in monetary policy affect the outlook for consumption.[17]

The Bank also continued to examine how monetary policy and macroprudential policies work together to ensure both price stability and financial stability.[18]

Promoting the resilience and efficiency of the financial system

Fostering financial stability through periods of stress

Part of the Bank's financial stability mandate is to oversee Canadian **financial market infrastructures** (FMIs) that have the potential to pose widespread risk to Canada's payment systems. In 2024, the Bank took important steps toward ensuring the four payment systems that were **designated in 2023** as prominent payment systems meet the Bank's standards for risk management.

Learn more about the Bank's regulatory oversight of prominent payment systems.

As the resolution authority for FMIs, one of the Bank's responsibilities is to plan how it will respond in the unlikely event that one of Canada's designated FMIs fails. In 2024, the Bank developed resolution plans for four domestic FMIs. These plans explain how an FMI's critical functions will be maintained in times of extreme stress.

Learn more about the Bank's resolution regime for Canada's financial market infrastructures.

Enhancing systems that support efficient market functioning

The Bank is modernizing the critical systems that support its financial market and banking operations. In 2024, it reintroduced its Securities Lending Program to support the smooth functioning of the Government of Canada bond market.[19]

Learn more about the Bank's market operations, programs and facilities.

The Bank continued to work directly with industry through its leadership of the **Canadian Fixed-Income Forum**. In 2024, the Bank formed a new working group, the **Collateral Infrastructure and Market Practices Advisory Group**, to provide guidance and to support changes to Canada's financing and collateral infrastructure and market practices.[20]

Completing the transition to the new interest rate benchmark

As co-chair of the **Canadian Alternative Reference Rate Working Group** (CARR), the Bank helped complete the multi-year transition of the Canadian financial system from the Canadian Dollar Offered Rate (CDOR) to the Canadian Overnight Repo Rate Average (CORRA). The Bank is also the administrator for CORRA.

In June 2024, CDOR and bankers' acceptances (formerly a key product in money markets) were discontinued. As a result, over $20 trillion of exposures across derivatives, securities and loans transitioned to CORRA. Having fulfilled its mandate, CARR was disbanded in October 2024.

Looking forward

In 2025, the Bank will:

- complete a review of its liquidity facilities to take on board lessons learned from the COVID-19 pandemic and ensure that these facilities align with market developments

- build on technology and process improvements that support the Bank's financial market operations and Canada's payment systems
- work with industry to influence structural change in the Canadian market, including encouraging broad adoption of the new Canadian tri-party repurchase agreement service, and completing a review of the CORRA methodology.

More information

"Canada's mortgage market—A question of balance" (remarks by Senior Deputy Governor Carolyn Rogers)

Financial System Hub

Financial system committees

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10. J. Allen, K. Carmichael, R. Clark, S. Li and N. Vincent, "**Housing Affordability and Parental Income Support,**" Bank of Canada Staff Working Paper No. 2024-28 (July 2024).[←]

11. J. Hartley and N. Paixão "**Mortgage stress tests and household financial resilience under monetary policy tightening**," Bank of Canada Staff Analytical Note No. 2024-25 (November 2024).[←]

12. G. Halaj and R. Hipp, "**Decomposing Systemic Risk: The Roles of Contagion and Common Exposures**," Bank of Canada Staff Working Paper No. 2024-19 (May 2024).[←]

13. C. Friedrich, H. Friedrich, N. Lawrence, J. Cortes Orihuela and P. Tian, "**The International Exposure of the Canadian Banking System**," Bank of Canada Staff Working Paper No. 2025-01 (January 2025).[←]

14. A. Uthemann and R. Vala, "**How big is cash-futures basis trading in Canada's government bond market?**" Bank of Canada Staff Analytical Note No. 2024-16 (June 2024).[←]

15. J. Sandhu and R. Vala, "**Could all-to-all trading improve liquidity in the Government of Canada bond market?**" Bank of Canada Staff Analytical Note No. 2024-17 (July 2024).[←]

16. For more, see the **Financial Sector Assessment Program** page of the International Monetary Fund's website.[←]

17. P.-Bouras, J.-Saldain, X.-Guo, T.-M.-Pugh and M.-teNyenhuis, "**Impacts of interest rate hikes on the consumption of households with a mortgage**," Bank of Canada Staff Analytical Note No. 2024-14 (June 2024).[←]

18. Duprey,-T., Y.-Terajima and J.-Yang, "**Interaction of Macroprudential and Monetary Policies: Practice Ahead of Theory**," Bank of Canada Staff Discussion Paper No. 2024-18 (December 2024).[←]

19. See Bank of Canada, "**Bank of Canada launches Securities Lending Program as replacement to Securities Repo Operations**" (market notice, September 24, 2024).[←]

20. For more information, see **Collateral Infrastructure and Market Practices Advisory Group - Bank of Canada**.[←]

Retail payments supervision

In 2024, the Bank of Canada's mandate to supervise retail payment service providers (PSPs) came into effect. These new responsibilities are outlined in the ***Retail Payment Activities Act*** (RPAA), which received royal assent in 2021.

On November 1, the Bank reached an important milestone when it started registering PSPs that are subject to the RPAA.

In the lead-up to this milestone, the Bank:

- readied its operations for the registration launch
- raised industry awareness of its supervision mandate
- continued to build its supervisory program

Retail payments supervision is one of the Bank's five main areas of responsibility. Learn more about the Bank's **core functions**.

Launching the Bank's new supervision mandate

The opening of the registration period for PSPs marked the official start of a new mandate for the Bank. It was also a significant date for the payments industry, which came under regulation for the first time in Canada.

Companies that are subject to the RPAA were required to apply for registration through the Bank's **portal** between November 1 and 15, 2024. The Bank saw a strong registration response from companies based in Canada and around the world, which shows that members of the payments community are taking their obligations under the law seriously. The Bank is following up with companies it believes are covered by the RPAA but have not yet applied to register.

Raising awareness within the payments industry

The Bank's new mandate to supervise PSPs has important implications for participants in the payments industry. Therefore, it was critical that the Bank reach as many companies as possible before the registration period began. The Bank also used this time to build relationships with key stakeholders in the industry.

Staff raise awareness about the Bank's new retail payments supervision mandate at September's Canada Fintech Forum in Montreal.

Reaching out to payment service providers around the world

Throughout 2024, the Bank used a variety of communications channels to promote registration, including:

- a special section of the Bank's **website**
- trade shows and industry events

- public speaking engagements
- a regular newsletter that reached more than 1,500 subscribers
- YouTube videos
- webinars in English and French

Consulting industry stakeholders

The Bank sought feedback from industry stakeholders on draft versions of its risk management guidelines. The purpose of these consultations was to identify where additional clarity was needed, especially around requirements that may be challenging for PSPs to meet.

The guidelines outline the standards and practices PSPs must implement to comply with the RPAA and its associated regulations. They include requirements on:

- operational risk and incident response
- safeguarding end-user funds
- incident notification
- reporting on significant change

Final versions of the guidelines were published in late 2024.

Collaborating with domestic and international regulators

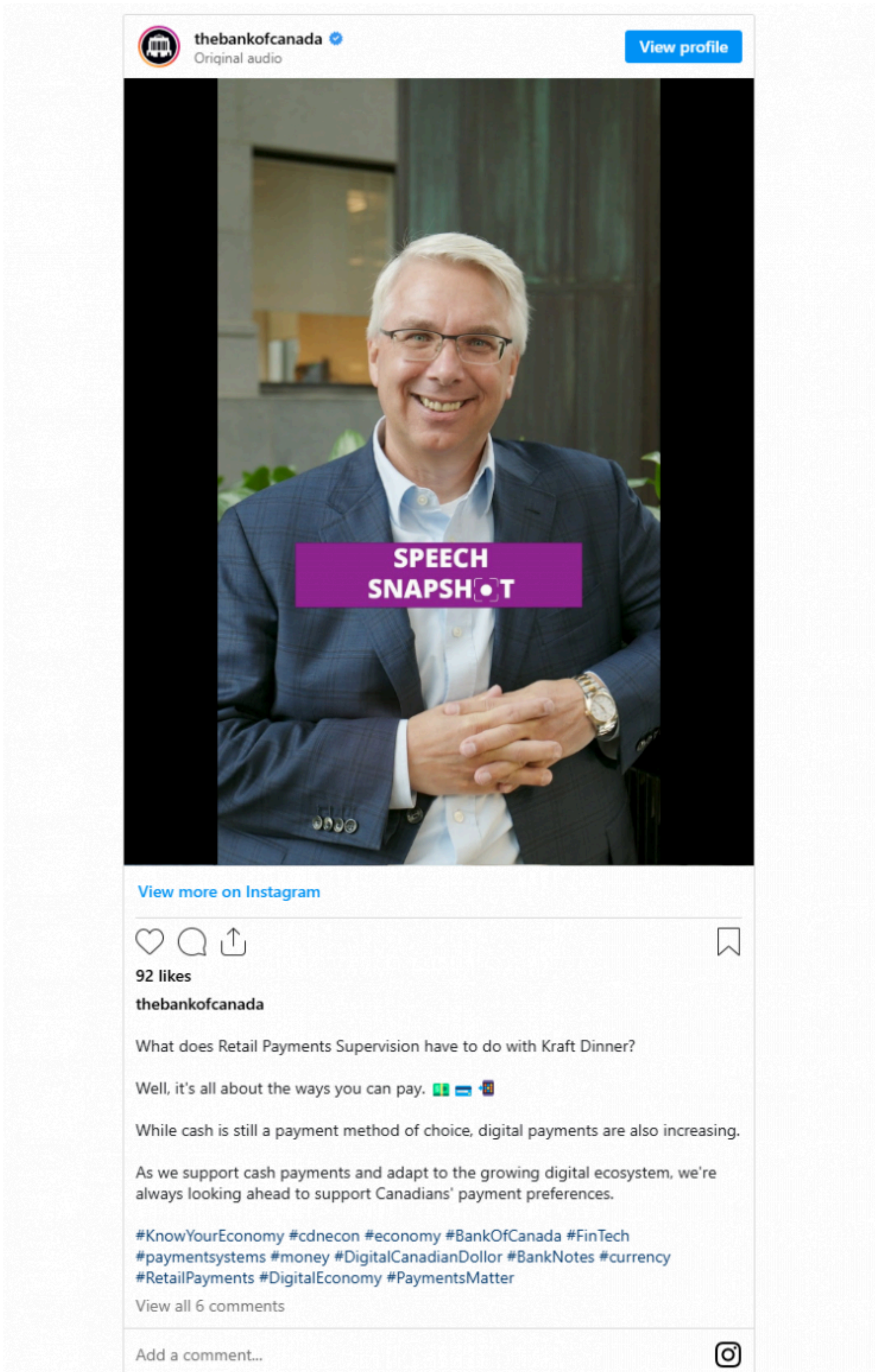
Before the registration period, the Bank worked closely with domestic and international regulators operating in the financial and payments sectors. This enabled the Bank to build and strengthen relationships with key counterparts and to develop information-sharing agreements that will be essential to fulfilling its supervision mandate.

Building the Bank’s supervisory program

The Bank took important steps to develop the various aspects of its supervisory program. This included developing policies that clarify how the Bank will carry out its responsibilities under the new mandate. The Bank published supervisory policies on its **website**, providing PSPs with quick access to relevant information. Industry participants visited the site to learn more about:

- the RPAA and its scope
- PSP obligations for registration, compliance, reporting and record-keeping
- the Bank’s enforcement approach, including tools and processes

In addition, the Bank conducted a pilot project with PSPs to ensure it would be ready to begin processing applications. The pilot also served as a trial run of the Bank's ability to collaborate seamlessly with external partners, such as the Financial Transactions and Reports Analysis Centre of Canada and the Department of Finance Canada.



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Looking forward

In 2025, the Bank will:

- continue following up with companies it believes are covered by the RPAA but have not yet applied to register, and take enforcement action as required
- publish the list of registered PSPs and, as of September 8, 2025, begin actively supervising their risk management practices
- continue to raise awareness and understanding of risk management and reporting requirements under the RPAA, and what it means to be a supervised PSP
- continue developing its supervisory practices and policies

More information

Retail payments supervision: Key milestones

Future-proofing our payments systems (remarks by Ron Morrow, Executive Director of Payments, Supervision and Oversight)

Funds management

As the fiscal agent and banker for the Government of Canada, the Bank of Canada carried out a variety of activities in 2024. These included:

- administering the federal government's domestic cash balances
- conducting debt auctions and cash management bond buyback operations
- purchasing Canada Mortgage Bonds on behalf of the Government of Canada
- advising the Government of Canada about issuing Canadian-dollar green bonds
- managing the assets and liabilities of the Exchange Fund Account (EFA)

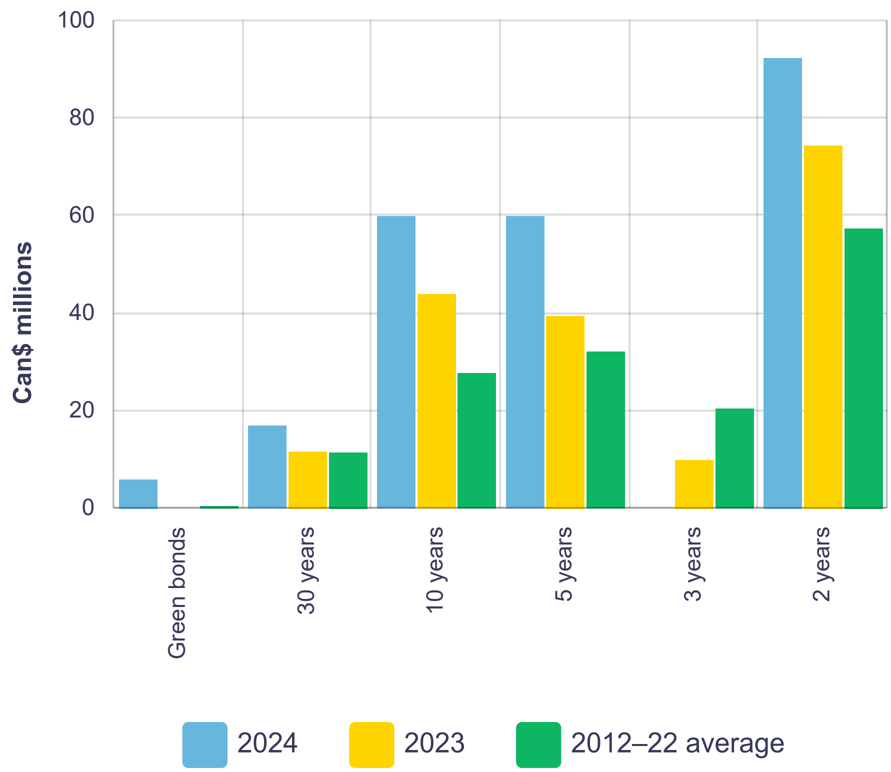
The Bank also provided banking, settlement and custodial services for other clients, such as financial market infrastructures, federal Crown corporations and other central banks. At the same time, the Bank:

- reviewed and enhanced its controls for managing risks related to financial crimes
- managed its own investments and liabilities as part of the ongoing normalization of its balance sheet

Funds management is one of the Bank's five main areas of responsibility. Learn more about the Bank's **core functions**.

The value of domestic Government of Canada bonds issued in 2024 was $235.5 billion. The total stock of domestic marketable debt – Government of Canada bonds and treasury bills – is projected to reach $1,160 billion by the end of the 2024–25 fiscal year.

Chart 1: Gross bond issuance by tenor



Supporting the Government of Canada's domestic funding and liquidity needs

Bank staff worked closely with the Department of Finance Canada and consulted with financial market participants to seek feedback on the Government of Canada's debt management strategy. Areas of focus included:

- raising stable and low-cost funding for federal programs and services
- maintaining a liquid and well-functioning market for Government of Canada securities
- supporting the move from two days to one day for settlement of GoC debt in 2024[21]

Advising the Government of Canada on its investment strategy and debt issuance

As part of its funds management services, the Bank provided advice to the Government of Canada on several initiatives:

- Re-introducing morning auctions of Receiver General cash balances—These operations had been suspended in August 2020 due to lack of participation.

They were restarted on February 21, 2024.

- Purchasing Canada Mortgage Bonds—The Bank helped implement the program and purchased $29 billion of Canada Mortgage Bonds on behalf of the Government of Canada in 2024.
- Issuing green bonds—The federal government issued $6 billion of green bonds in 2024. As part of the syndication process, the Bank provided debt management and expert market advice.
- Introducing a temporary, one-month treasury bill—This instrument supported the Canadian money market's orderly move away from bankers' acceptances.

Also in 2024, the Bank reviewed and conducted market consultation on the Government of Canada's Debt Distribution Framework. The review looked at aspects of the framework's design to ensure it continues to be an effective means of raising funds.

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🚫 Debunking myths

Providing banking services to the government? Yes. Managing national spending? That's not part of our role.

Swipe to learn about the banking services we offer to the government of Canada as its fiscal agent.

#KnowYourEconomy #cdnecon #economy #FundsManagement #finance #economics #education #MythsBuster #MythvsFact #BankOfCanada

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Managing the Exchange Fund Account

The Government of Canada's reserves of foreign currency are held in the EFA to promote orderly conditions in the Canadian-dollar foreign exchange market and to provide a source of liquidity for the Government of Canada.

During the 2023–24 fiscal year, the Bank managed the growth of the EFA to about US$90 billion from US$82 billion. Over the remainder of 2024, the Bank worked to increase the EFA to the target value of US$91.5 billion for the 2024–25 fiscal year. Overall, about two-thirds of the reserves were invested in US-dollar assets, with the balance held in euros, British pounds sterling and Japanese yen.

The Bank also raised funds through short-term US-dollar securities and medium-term cross-currency swaps. These transactions involved exchanging Canadian dollars for foreign currency to acquire liquid reserves.

In April 2024, the Bank led the issuance of a five-year US$3 billion global bond, which had the second-largest order book for a global bond issued by Canada in the past 15 years. This strong demand demonstrated investors' confidence in Canada and reflected Canada's AAA credit ratings.

https://www.facebook.com/watch/?v=316722154395428

Looking forward

In 2025, the Bank will:

- continue to provide advice to the federal government on managing debt, reserves and liquidity
- implement changes to the Government of Canada's Debt Distribution Framework
- assess the evolution of demand for the one-month treasury bill to determine whether the need for this temporary measure persists

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21. See Bank of Canada, "**Move to T+1 settlement for Government of Canada securities auctions**" (market notice, May 16, 2024).[←]

Currency

In 2024, the Bank of Canada:

- provided Canadians with access to secure bank notes
- advanced work on the design and security features for the next $20 bank note
- researched the future of cash by monitoring the payments landscape and seeking input from Canadians

Currency is one of the Bank's five main areas of responsibility. Learn more about the Bank's **core functions**.

Providing Canadians with bank notes they can trust

The Bank is the only authority that can supply Canadian financial institutions with bank notes to meet the demand for cash. As at December 31, 2024, 3 billion bank notes were in circulation. Ensuring the security of Canada's bank notes is a top priority for the Bank.

Keeping Canada's counterfeiting rate low

As part of its ongoing efforts to curb counterfeiting, the Bank engages with a variety of stakeholders to raise awareness about how to identify genuine bank notes. It works to educate retailers, the lotto and gaming industry, and the general public, among other groups.

The Bank closely monitored counterfeiting trends in 2024. To support this work, the Bank collaborated with law enforcement partners such as the Royal Canadian Mounted Police and the Canada Border Services Agency.

As well, the Bank continued to explore novel security features for future bank notes. Incorporating leading-edge features helps keep the Bank one step ahead of counterfeiters.

These activities helped to keep the counterfeit level low. In 2024, this rate was at 9 parts per million (ppm), below the Bank’s target of 30 ppm. The low counterfeiting rate helps explain why more than 95% of Canadians in a recent Bank survey said they were confident that the bank notes circulating in the economy are authentic.

> Bank staff pose with representatives from the Canada Border Services Agency, winners of the Bank of Canada’s 2024 Law Enforcement Award of Excellence for Counterfeit Deterrence (an award established in collaboration with the Canadian Association of Chiefs of Police).

Preparing for the next $20 bank note

The Bank continued to advance the design and development of the next **$20 bank note**. The new note, which the Bank expects to issue in early 2027, will incorporate new and enhanced security features and be printed on polymer, primarily in green and with a vertical orientation.

The new $20 will feature His Majesty King Charles III on the front and the Canadian National Vimy Memorial on the back, as announced by the Minister of Finance. For other elements of the design, the Bank consulted historical and cultural experts, including the **Indigenous Advisory Circle**.

The Canadian National Vimy Memorial in Givenchy-en-Gohelle, France, will be featured on the vertical $20 bank note.

Tracking the evolution of the payments landscape

The Bank conducted research on a variety of topics in 2024 to help it make decisions related to its currency mandate. Areas of research included:

- the use, availability and acceptance of cash in Canada
- payment preferences, including for digital currencies
- demand from international travellers for Canadian bank notes
- mobile device and digital payments

The Bank also continued to monitor the cash infrastructure system. It engaged with industry partners to ensure the ongoing availability of high-quality bank notes.

In addition, the Bank completed research on the implications of a retail central bank digital currency. This included exploring the potential impact of a Digital Canadian Dollar on the economy and financial system. With this work completed, the Bank is now shifting its focus to broader research topics and policy issues related to the payments system.

Learn more about the Bank's research on a Digital Canadian Dollar.

Looking forward

In 2025, the Bank will:

- finalize the design of the $20 bank note
- begin the design and development of the next $5 bank note featuring Terry Fox
- ensure bank notes remain secure by working on next-generation security features and collaborating with law enforcement partners to fight counterfeiting
- track the evolution of the payments landscape by conducting research on cash access and acceptance and monitoring the cash distribution system

More information

2023 Methods-of-Payment Survey Report: The Resilience of Cash

COVID-19 Hasn't Killed Merchant Acceptance of Cash: Results from the 2023 Merchant Acceptance Survey

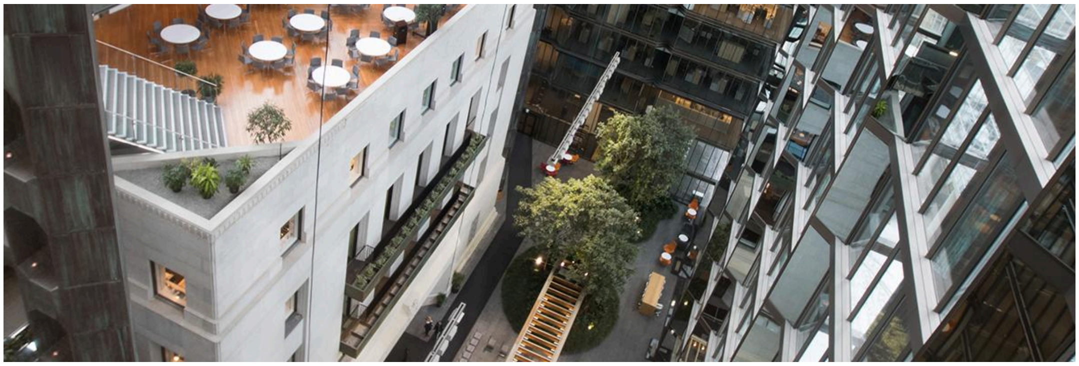
Bank Note Confidence Survey

Demand for Canadian Banknotes from International Travel: Indirect Evidence from the COVID-19 Pandemic

The Role of Beliefs in Entering and Exiting the Bitcoin Market

Untapped Potential: Mobile Device Ownership and Mobile Payments in Canada

Digital Payments: A Framework for Inclusive Design



Managing the Bank

To remain a leading central bank in an era of rapid and constant change, the Bank of Canada must make continual improvements across all areas of its business. It does so in a way that is strategic, focused and driven by data. Sound management helps the Bank ensure its resources are directed where they will deliver the greatest benefit.

In 2024, these efforts enabled the Bank to be dynamic and efficient in how it achieves its business objectives and delivers on its mandate.

At all levels, decisions about the Bank's evolution were guided by its **vision, values and promise to Canadians**.

Continuing to be one of the best places to work in Canada

For the 15th consecutive year, the Bank was recognized as one of **Canada's Top 100 Employers**. This award reflects the Bank's commitment to being a great place to work. In addition, the Bank was once again recognized for being among Canada's:

- Top Family-Friendly Employers
- Best Diversity Employers

These awards are the result of the Bank's ongoing efforts to enhance its work environment. Employees contribute to this process through a variety of formal and informal channels, including town halls, employee resource groups and surveys. The Bank also uses research on benchmarking and best practices to stay up to date on changing employee and employer needs.

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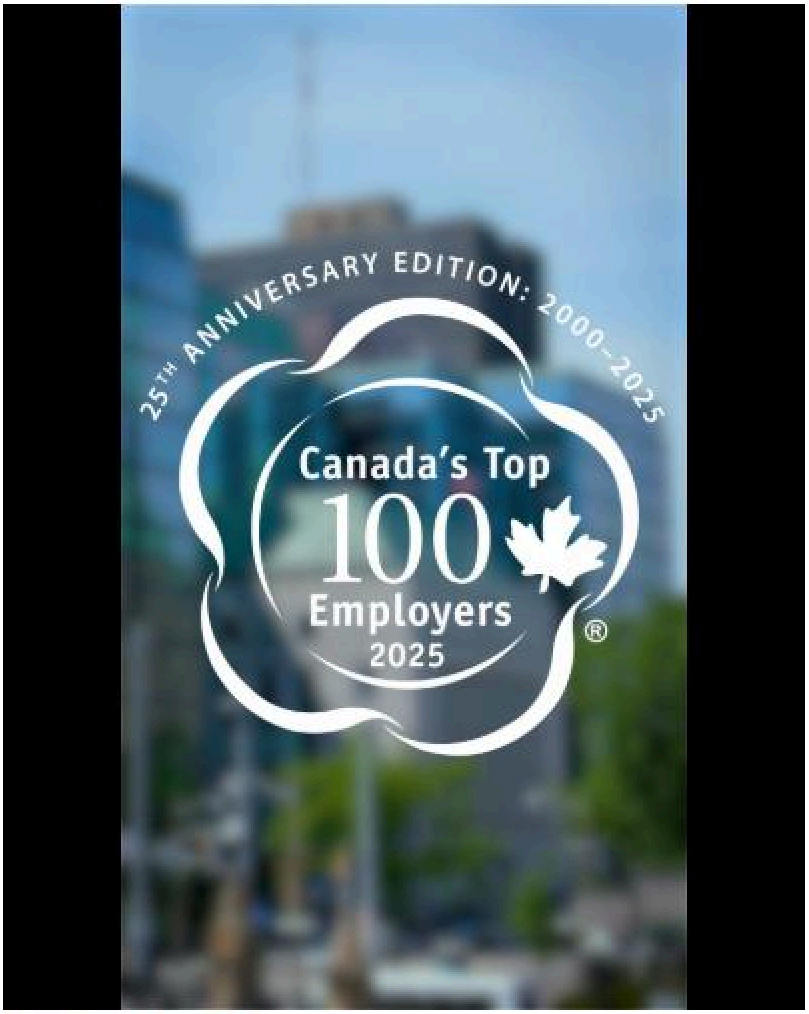

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We're celebrating our 15th consecutive year as one of Canada's @topemployers!
🎉

We want to give our incredible and diverse team a BIG shout out for their unwavering commitment to the economic and financial well-being of all Canadians.
🍁

#CanadasTop100Employers #TopEmployers2025 #Top100Employers #TopEmployer #TeamWork #ThankYou #BankOfCanada

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Making the Bank more equitable, diverse and inclusive

The Bank implemented the 2024 priorities from its equity, diversity and inclusion strategy, and made progress on its representation goals.

An important development in this area was the launch of anti-bias training for leaders and senior officers. This is part of the Bank's broader efforts to ensure equitable opportunities and outcomes for all employees.

Also in 2024, the Bank evolved its compensation framework to bring its practices in line with recent changes to federal pay equity legislation.

Meeting employer commitments for Reconciliation

Under its **Reconciliation Action Plan**, the Bank made progress on a number of commitments:

- It implemented mandatory training on Indigenous cultural awareness for all employees; this work also responds to Call to Action 57 and Call to Action 92 from the **Truth and Reconciliation Commission of Canada**.
- It offered workshops to help employees deepen their understanding of Reconciliation and how to be inclusive of Indigenous cultures.
- It developed an Indigenous talent strategy that includes a recruitment initiative, a hiring program and a career-development initiative.

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We're pleased to launch our #ReconciliationActionPlan.

After two years of collaboration and listening, this plan represents our commitment to strengthening our relationships with Indigenous Nations and Peoples. It also outlines how we will continue to deepen our understanding of #IndigenousEconomies and build a more inclusive workplace.

Swipe for the highlights.

Link in bio to read the full plan.

#EconomicInclusion #IndigenousInclusion #Reconciliation #BankOfCanada

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Enhancing the Bank’s systems, tools and processes

The Bank’s operations are critical to a well-functioning Canadian economy and financial system. The Bank remained focused on enhancing its resilience and reinforcing the systems, tools and processes that enable critical operations. Focus areas included:

- updating the technology and infrastructure used at the Bank’s data centres and regional offices
- enhancing processes and strengthening compliance for third-party providers
- completing simulation exercises that tested the Bank’s ability to recover from and continue operating after a disaster

The Bank completed the migration of infrastructure and applications from its legacy environment to resilient cloud or on-site systems that increase flexibility and reliability. It continued to automate workflows and other processes, freeing up staff time for new work of greater value.

Reinforcing cyber security inside and outside the Bank

Throughout the year, cyber security threats continued to evolve rapidly. Reinforcing operational resilience against such threats remained a top priority. To this end, the Bank:

- strengthened its cyber security framework
- enhanced policies and directives to address emerging threats
- refined incident response capabilities through protocol development and readiness exercises

In addition to securing its own operations against cyber threats, the Bank also has a mandated responsibility to promote the stability and operational resilience of Canada’s financial system. To support this work, the Bank continued its leadership of the Canadian Financial Sector Resiliency Group (CFRG)—a public-private partnership focused on strengthening the financial sector’s critical infrastructure against risks to business operations, including cyber incidents.

In 2024, the CFRG completed a cross-sectoral disaster recovery exercise. It focused on assessing the risks that come from the interdependencies between the financial and telecommunications sectors.

As well, the Bank actively contributed to the G7 Cyber Expert Group. In an increasingly complex and interconnected global financial system, this working group coordinates cyber security policy and strategy across G7 jurisdictions.

Learn more about the Bank's efforts to promote international cyber resilience.

Enabling data-driven decision-making

The Bank is a data-driven institution. To keep pace with changes in the data landscape and its own evolving information needs, the Bank continued to enhance its capabilities in this area.

Learn more about how the Bank uses data to inform its day-to-day work.

Meeting the Bank's commitment to greener operations

The Bank continued to look for ways to reduce the environmental impact of its operations. It began a review of the climate resilience of the buildings it owns. The review will be completed in early 2025, and will help the Bank to better forecast, manage and adapt to climate change–related impacts on its properties.

The Bank also released its 2024 report disclosing the risks it faces related to climate change. The report presents an overview of steps the Bank has taken to mitigate those risks and the progress it made on its climate commitments—including its goal of achieving net-zero greenhouse gas emissions by 2050.

Read the **Bank of Canada Disclosure of Climate-Related Risks 2024**.

Looking forward

In 2025, the Bank will:

- implement the 2025 priorities from its equity, diversity and inclusion strategy
- reinforce the resilience of its critical operations through key technology upgrades and replacements

- continue to strengthen its own cyber security posture while promoting the cyber resilience of financial systems in Canada and abroad
- continue to work toward its climate-related commitments

Communications and outreach

Throughout 2024, the Bank of Canada communicated extensively to build trust with Canadians and ensure they understood its monetary policy actions.

As part of its efforts to reach Canadians, the Bank:

- increased the number of press conferences it holds each year
- made its flagship publication, the *Monetary Policy Report* (MPR), fully digital
- created more plain-language content for its website and social media channels

The Bank also expanded its engagement with stakeholders and the public, including people in the payments sector and Indigenous groups. Members of the Bank's Governing Council travelled across the country to see and hear first-hand how different regions and sectors were adapting to the evolving economic situation.

Learn more about the Bank's regional outreach.

Meanwhile, the Bank of Canada Museum:

- unveiled its "**You Are the Economy**" educational resource for teachers
- increased the number of virtual and in-person classes it offered
- raised its visitation numbers close to pre-pandemic levels

Using new communications approaches to reach Canadians

In 2024, the Bank began holding a press conference after each interest rate announcement to help Canadians understand what actions it is taking and why. In the past, only those announcements accompanied by an MPR were followed by press conferences. The four additional press conferences gave reporters more opportunities to ask the Governor and Senior Deputy Governor questions about the Bank's decisions.

Senior Deputy Governor Carolyn Rogers and Governor Tiff Macklem respond to questions at the press conference for September's policy rate announcement.

In October, the MPR became a fully digital product. The new format makes the Report interactive and easy to navigate. It also enables readers to download the data used in charts.

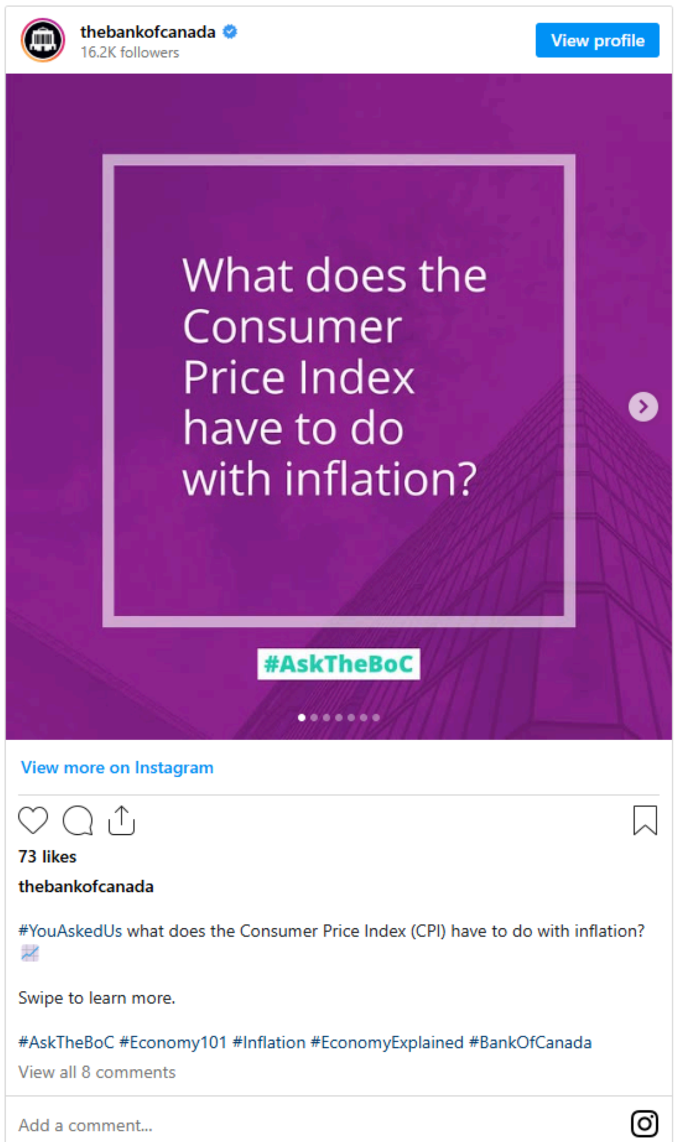
The Bank increased its publication of plain-language content on social media and its website. These efforts make the Bank's work more accessible and allow it to address questions that Canadians often ask. For instance, the Bank shared content on:

- **the relationship between the consumer price index and inflation**
- **the relationship between inflation and prices**
- **factors driving up the price of groceries**
- **the way gasoline prices are determined**

By the end of 2024, the Bank had roughly 500,000 followers across its social media channels—a nearly 40% increase since the beginning of 2023.

As part of its commitment to transparency, the Bank:

- published speeches and research papers about its assessments of the actions it took during the COVID-19 pandemic[22]
- explained how Governing Council arrives at a consensus on policy interest rate announcements[23]
- put the spotlight on important economic issues, such as Canada's track record on productivity growth[24]



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Engaging with stakeholders and the public

In November, the Bank's responsibility to supervise retail payment service providers came into effect. In the lead-up to this new regulatory role, the Bank used a variety of communications tools and channels to help prepare the industry, including a regular newsletter, webinars and **YouTube videos**.

Learn more about how the Bank worked to raise awareness of its retail payments supervision mandate among payment service providers.

In 2024, the Bank also published and began implementing its Reconciliation Action Plan. The plan was informed by broad consultations with Indigenous organizations and employees. It affirms the Bank's commitment to:

- deepen our understanding of Indigenous economies in Canada
- foster an inclusive and equitable organizational culture

Read the Bank's Reconciliation Action Plan.

Advancing economic literacy through the Bank of Canada Museum

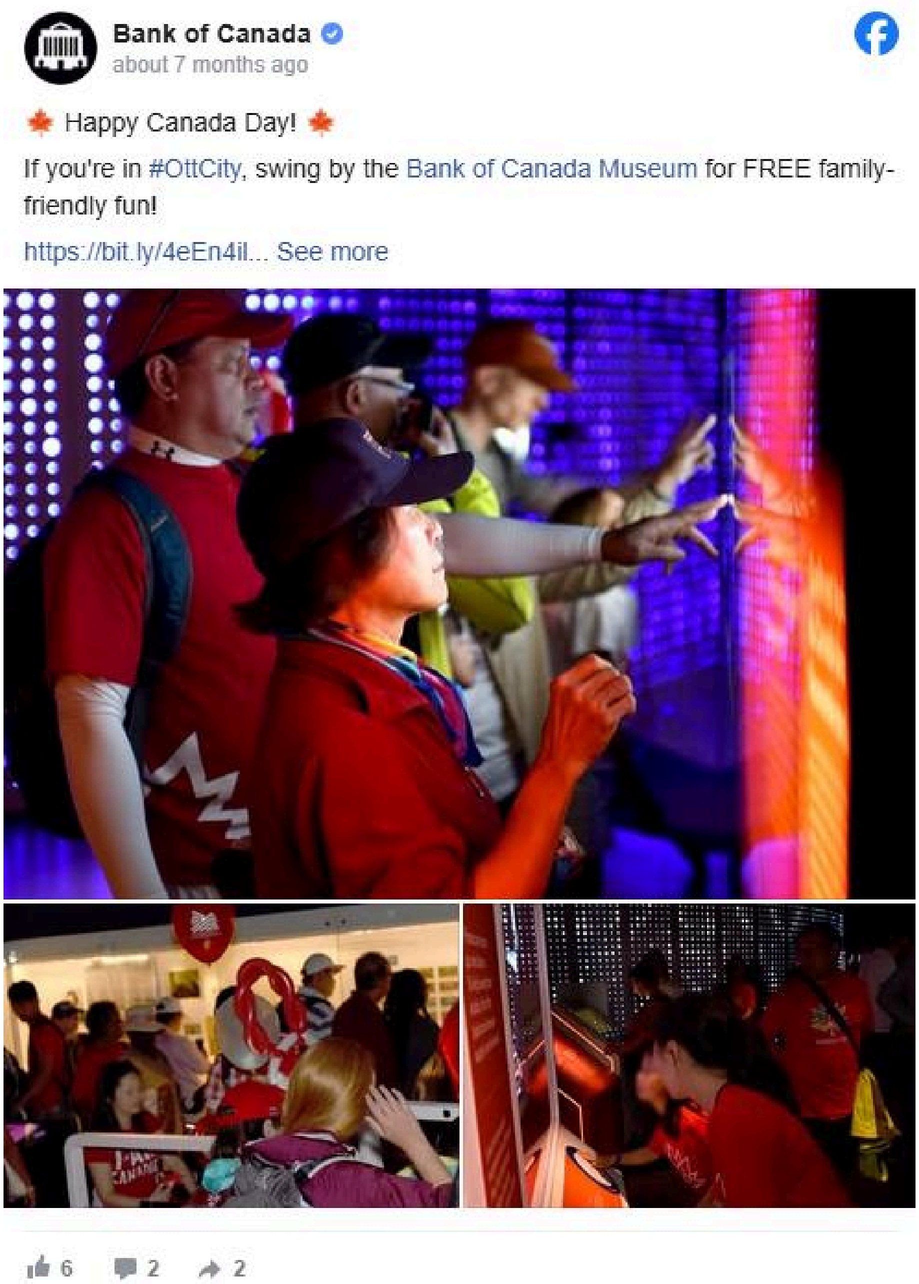
In 2024, 68,448 people visited the Bank of Canada Museum. This was just shy of the record set in 2019 and represented a 14% increase from 2023. This success can be attributed to the quality and breadth of programming, which the Museum develops to serve a variety of communities, including:

- teachers across the country and across different grade levels
- followers of the Museum's website and social media channels
- families seeking accessible, engaging and informative activities

By collaborating with partners across the country, the Museum also expanded its reach and enriched its educational offerings.

For example, the Museum unveiled its "**You Are the Economy**" resource in October. This set of six free lesson plans and activities for grades 7–12 is designed to help teachers develop students' understanding of economics and personal finances. During the three months following the launch, the landing page for these resources had over 14,000 views.

Canadian teachers continued to make use of the Museum's other educational content, as well. In all, the Museum reached 8,433 students in 2024 through its various school programs—including 4,998 virtually and 3,435 onsite—an increase of 6% from 2023.



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Looking forward

In 2025, the Bank's public communication strategy will be:

- holding discussions with Canadians to get their views on the Bank's monetary policy framework, which is up for renewal in 2026
- continuing to explore ways to reach Canadians and help them understand the crucial role that the Bank plays in the economy
- touring the Museum's "Money in 10 Questions: Kids Edition" exhibit, with stops planned for Lloydminster, Winnipeg and North Battleford
- celebrating the Bank's 90th anniversary by sharing its rich history with Canadians

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22. See S. Kozicki, "**Exceptional policies for an exceptional time: From quantitative easing to quantitative tightening**" (speech delivered to the Canadian Association of Business Economics, Ottawa, June 13, 2024).[←]

23. See N. Vincent, "**Monetary policy decision-making: Behind the scenes**" (speech delivered to the Sherbrooke Chamber of Commerce and Industry, Sherbrooke, Quebec, September 19, 2024).[←]

24. See C. Rogers, "**Time to break the glass: Fixing Canada's productivity problem**" (speech delivered to the Halifax Partnership, Halifax, Nova Scotia, March 26, 2024).[←]

Global engagement

The Bank of Canada and its international counterparts faced important challenges in 2024. Several interconnected factors contributed to heightened uncertainty in the global economy:

- geopolitical tensions and ongoing conflicts in the Middle East and Ukraine
- shifting trade relationships
- emerging risks from rapid financial and technological innovation
- economic shocks related to climate change

At the same time, the combination of high levels of sovereign debt and elevated long-term interest rates intensified vulnerabilities in the global financial system. Against this backdrop, the Bank used its influence to help drive global discussions, emphasizing that:

- a joint commitment from G20 central banks is essential for lowering inflation and anchoring inflation expectations
- effective and legitimate multilateral institutions are critical to the soundness of the global monetary and financial systems
- non-bank financial institutions—including those across international borders—are increasingly important sources of systemic financial risk
- a common approach is needed to address non-market policies and practices and promote a level playing field

The Bank also prepared for Canada's G7 presidency in 2025. In its participation in global groups and forums—such as the International Monetary Fund, the Basel Committee on Banking Supervision, the Committee on Payments and Market Infrastructures, and the Financial Stability Board—it advocated for issues that matter to Canada.

Governor Tiff Macklem and colleagues meet with Gita Gopinath, First Deputy Managing Director of the International Monetary Fund (IMF), and other IMF officials in October.
Credit: IMF Photo / Lewis Joly

Collaborating to promote resilience across borders

Promoting economic and financial system resilience was central to the Bank's international work in 2024. The Bank and its partners were increasingly focused on economic fragmentation. Climate change, cyber security and technological innovation were other key topics of discussion.

Addressing common challenges to shared prosperity

Governor Macklem explored some of these challenges in his September speech at the Canada–UK Chamber of Commerce.[25] There, he focused on the geopolitical, economic and social forces reshaping global trade, which are of keen interest to small, open economies like Canada.

The Governor used his remarks to underscore the benefits of global trade, including shared prosperity. He emphasized the importance of effective multilateral institutions, as well as the need for a stable, open and rules-based global order.

Working together to assess the economic and financial stability risks posed by climate change

The economic and financial stability risks from climate change have important implications for Canada and the international community. In 2024, central banks continued to collaborate on a range of climate-related risks through their participation in the G7 group on the economic impacts of climate change and the Network for Greening the Financial System (NGFS). The Bank played an important role in creating an NGFS handbook for incorporating climate considerations into macroeconomic models used by policy-makers.

As part of its work with the G20, the Bank emphasized that central banks' core mandates of price and financial stability are important prerequisites for an orderly transition to net-zero emissions.

Enhancing resilience to cyber security risks

The Bank remained actively involved in the **G7 Cyber Expert Group** (CEG), which coordinates cyber security policy and strategy. In April 2024, CEG members participated in a cross-border exercise to test their ability to communicate and coordinate responses to a significant international cyber incident affecting the financial sector.

In September, the CEG published recommendations for addressing risks to the financial sector posed by quantum computing.[26]

Responding to challenges and opportunities in the world of payments

The Bank and its global partners continued to proactively address the risks and take advantage of the opportunities posed by financial innovations.

In 2024, Governor Macklem co-chaired the Regional Consultative Group for the Americas (RCGA), a Financial Stability Board (FSB) forum that facilitates dialogue between members and non-members of the FSB. The RCGA continued working to promote the adoption of the FSB's **recommendations** for regulating cryptoassets among non-members. This work aims to mitigate risk, promote regulatory consistency and reduce regulatory arbitrage.

The international community continued to implement the **G20 roadmap** for enhancing cross-border payments. As chair of the **Financial Stability Board's Taskforce on Legal, Regulatory and Supervisory matters,** Senior Deputy Governor Rogers led consultations with the private sector on challenges with implementing the roadmap.

Governor Tiff Macklem speaks at the International Monetary and Financial Committee plenary session during the 2024 Spring Meetings of the International Monetary Fund and World Bank Group.
Credit: IMF Photo / James Mertz

Exploring the potential of artificial intelligence and non-traditional data

In 2024, the Bank spearheaded the G7's work on artificial intelligence (AI), supporting the Italian G7 presidency in identifying opportunities and risks. In addition, through its leadership of the G7 Central Bank Digitalization Working Group, the Bank helped foster a common understanding of how AI tools can be used to support central banks as they deliver on their mandates.

The Bank also contributed to international discussions about how non-traditional data, advanced analytics and AI tools can inform monetary policy. In September 2024, Governor Macklem delivered remarks at a conference about the economics of AI hosted by the National Bureau of Economic Research.[27] He explored how AI could:

- impact the economy
- affect monetary policy
- be used as a tool for untangling large and disaggregated datasets

Preparing for Canada’s G7 presidency

The Bank and the Department of Finance Canada worked together to prepare for Canada’s G7 presidency in 2025. They advanced work on the G7 Finance Track, which is a key input to the Leaders’ Summit.

The Bank also expanded its bilateral engagement to collect input from both G7 and non-G7 countries. As well, it worked closely with South Africa, the G20 president in 2025, to strengthen the partnership between the two countries and identify areas for collaboration.

Looking forward

In 2025, the Bank will:

- collaborate with peers to advance central banks’ tools and understanding of the economic and financial effects of climate change, economic fragmentation and geopolitical tensions
- strengthen partnerships to promote multilateral responses to shared challenges
- support international work that strengthens prudential bank regulation and the push for coherent international policy frameworks for digital assets and payments
- work with G7 members on key areas linked to central bank mandates and that leverage the Bank’s analytical expertise, including:
    - advancing understanding of how AI could affect economic performance and productivity across jurisdictions
    - improving resilience and responsiveness to financial stability risks from a range of sources, such as cyber security, AI and non-bank financial institutions
    - developing a shared G7 vision for the future of global payment systems and supporting the G20 roadmap for enhancing cross-border payments
- work closely with Finance Canada on Canada’s activities in the G7 Finance Track
- co-host G7 Finance Track events, as well as chair and co-chair several G7 working groups

More information

Statement from the G7 Finance Ministers and Central Bank Governors' meeting, Stresa, Italy, May 2024

Statement from the G7 Finance Ministers and Central Bank Governors' meeting, Washington, DC, United States of America, October 2024

Communiqué from the third G20 Finance Ministers and Central Bank Governors Meeting, Rio de Janeiro, Brazil, July 2024

Communiqué from the fourth G20 Finance Ministers and Central Bank Governors Meeting, Washington, DC, United States of America, October 2024

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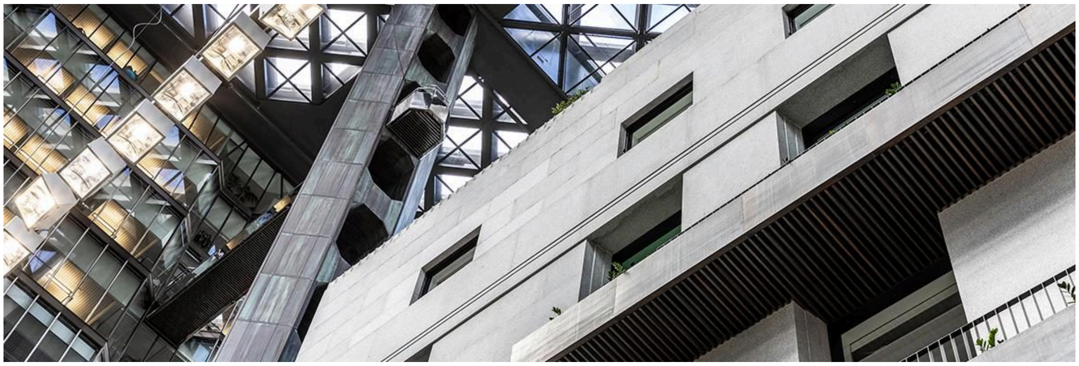
25. See T. Macklem, "**Rewired, recast and redirected: Global trade and implications for Canada"** (speech to the Canada-UK Chamber of Commerce, London, United Kingdom, September 10, 2024).[←]

26. See US Department of the Treasury,"**G7 Cyber Expert Group Recommends Action to Combat Financial Sector Risks from Quantum Computing**," (press release, Washington, D.C., September 25, 2024).[←]

27. See T. Macklem, "**Artificial intelligence, the economy and central banking**" (speech delivered to the National Bureau of Economic Research, Economics of Artificial Intelligence Conference, Toronto, September 20, 2024).[←]



Governance

The *Bank of Canada Act* provides the legal authority and framework for governance of the Bank of Canada.

Board of Directors

The Bank's Board of Directors is composed of:

- the Governor
- the Senior Deputy Governor
- a maximum of 12 independent directors
- the Deputy Minister of Finance (who is an ex officio, non-voting member)

Pursuant to the *Bank of Canada Act*, the Governor is both:

- Chief Executive Officer of the Bank
- Chair of its Board of Directors

As Chair, the Governor leads the Board's oversight of corporate, financial and administrative matters, including strategic planning, finance and accounting, risk management, human resources and other internal policies. Monetary policy is neither formulated nor implemented by the Board. However, directors regularly provide insight on prevailing economic conditions in their respective regions and sectors.

All independent (non-management) directors are appointed for a three-year renewable term by the Minister of Finance with the approval of the Governor in Council (the Cabinet).

The independent directors elect a lead director for a two-year renewable term. The lead director provides leadership to improve the Board's effectiveness and acts as a key point of contact with the Governor.[28] Claire M. C. Kennedy was reconfirmed as lead director in 2024.

The *Bank of Canada Act* and the *Conflict of Interest Act* specify eligibility requirements for members of the Board and outline rules to prevent conflicts of interest.

The Board also requires its independent directors to follow the Bank's Code of Business Conduct and Ethics for Directors.

See the **2024 Board of Directors**.

Committee structure and meetings

The Board of Directors has five standing committees, each of which has terms of reference and an annual work plan to guide its activities. The *Bank of Canada Act* also provides for an Executive Committee that is accountable to the Board and that can act in place of the Board. Each standing committee of the Board, except the Pension Committee, consists solely of independent directors.

Read about the Bank's **current Board of Directors** and its mandate, meetings, committees, independence and compensation.

Bank of Canada management

Governor and Senior Deputy Governor

The independent members of the Board of Directors appoint the Governor and Senior Deputy Governor for a seven-year term, subject to the approval of the Governor in Council. The length of this term allows the Governor and Senior Deputy Governor to adopt a long-term perspective. This is essential to the Bank's effectiveness in conducting monetary policy and performing its other core functions.

The salaries of the Governor and Senior Deputy Governor are within ranges established by the Government of Canada's Advisory Committee on Senior Level Retention and Compensation. All elements of their total compensation are determined by the Board, subject to the approval of the Governor in Council. As stipulated in section 6(3) of the *Bank of Canada Act*, their salaries may not include any element in the form of a commission or that is computed by reference to the income or profits of the Bank.

Governing Council

The Governor, Senior Deputy Governor, Deputy Governors and external Deputy Governors constitute the Bank's Governing Council, which is the Bank's policy-making body. It is responsible for decisions about monetary policy and the stability of the financial system.

Two internal committees are in place to provide advice:

- The Monetary Policy Review Committee assesses economic conditions in Canada and globally and provides advice to Governing Council on monetary policy.
- The Financial Stability Review Committee assesses financial conditions in Canada and globally and provides advice to Governing Council on financial stability.

In 2024, the Bank **launched** a process to appoint a second external Deputy Governor who will contribute to the Bank's monetary policy and financial stability mandates. The Board of Directors established a search committee to lead the recruitment process.

The Bank of Canada's Governing Council, from left to right: Deputy Governor Sharon Kozicki; Deputy Governor Toni Gravelle; Governor Tiff Macklem; Senior Deputy Governor Carolyn Rogers; External Deputy Governor Nicolas Vincent; and Deputy Governor Rhys Mendes.

Read about the Bank’s current leadership.

Executive Council

In 2024, the Bank updated the composition of its Executive Council. It is now composed of the Senior Deputy Governor; the Chief Operating Officer; the Executive Director of Policy; the Executive Director of Payments, Supervision and Oversight; and the Advisor and Chief of Staff to the Governor.[29]

The role of Executive Council is to deploy the Bank’s resources to achieve its mandate and deliver on the objectives and outcomes in its strategic plan. Executive Council is the primary management decision-making body within the Bank. It supports the decision-making functions of Governing Council and the Bank’s Board of Directors, and it translates the direction from these bodies into performance and operating objectives for the organization. Executive Council tracks the organization’s performance against approved plans and ensures the Bank meets all its compliance and reporting obligations.

In 2024:

- **Alexis Corbett** was appointed to the role of Chief Operating Officer, following the retirement of Filipe Dinis.
- Nick Leswick assumed the role of Executive Director of Policy.
- The role of the Executive Director of Supervision was expanded to include oversight of all banking and payments work as well as payments research. The role is now known as Executive Director of Payments, Supervision and Oversight and is held by Ron Morrow.

Former Chief Operating Officer Filipe Dinis, who retired in 2024.

Compliance and ethics

The Bank requires all employees to observe the highest standards of professional ethics. The Bank's comprehensive Code of Business Conduct and Ethics is in place to address the personal and professional conduct of Bank employees. The policy on disclosure of wrongdoing provides information to employees on how to report wrongdoing and outlines management's role in disclosures, investigations and reporting. The Board reviews the Code of Business Conduct and Ethics annually.

More information

Bank of Canada Act

Conflict of Interest Act

Code of Business Conduct and Ethics

Code of Business Conduct and Ethics for Directors

Disclosure of Wrongdoing Policy

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28. See Bank of Canada, "**Lead Director: Terms of Reference**" (November 2024) for more information.[←]

29. Previously, members of the Bank's Governing Council also served on its Executive Council.[←]

Financial results

Overview

This section provides the key highlights of the Bank of Canada's (the Bank) financial results for the year ended December 31, 2024. These highlights should be read with the financial statements and accompanying notes for the year ended December 31, 2024. Management is responsible for the information presented in the Annual Report.

After the onset of the COVID-19 pandemic, the Bank has used extraordinary measures to restore the proper functioning of financial markets and support the economic recovery. In response to high inflation following the reopening of the Canadian economy, the Bank rapidly raised its policy rate and undertook quantitative tightening (QT), in which maturing bond holdings are not being replaced. As inflation eased, the Bank began lowering the overnight rate in June 2024 while continuing its policy of balance sheet normalization. On January 29, 2025, the Bank announced its plan to complete its balance sheet normalization, ending QT. Beginning in early March, the Bank will begin purchasing assets as part of normal balance sheet management. Asset purchases will begin with the restart of the regular **term repo operations** program, followed by Government of Canada treasury bill purchases to restore a more balanced mix of assets on the Bank's balance sheet. Refer to the Bank's **website** for more information on these measures, including the relevant **press releases** and **market notices**.

Managing the balance sheet

Condensed financial position (in millions of Canadian dollars)

As at December 31	2024	2023
Assets		
Loans and receivables	19,462	6
Investments	236,868	292,341
Derivatives—indemnity agreements with the Government of Canada	19,786	23,406
All other assets*	1,127	1,023
Total assets	277,243	316,776
Liabilities and deficiency		
Bank notes in circulation	121,298	119,430
Deposits	164,359	196,212
Securities sold under repurchase agreements	-	6,638
Other liabilities	298	342
Deficiency	(8,712)	(5,846)
Total liabilities and deficiency	277,243	316,776

* *All other assets* includes *Cash and foreign deposits*, *Capital assets* and *Other assets.*

The Bank's holdings of financial assets stem from its unique role as the exclusive issuer of Canadian bank notes and its activities related to monetary policy and the financial system. The value of the assets on the Bank's balance sheet has declined due to the Bank's QT measures. The total assets decreased by 12% during the year to $277,243 million as at December 31, 2024, compared with their value as at December 31, 2023. The main driver of this decrease was the maturity of investments, which was partially offset by an increase in *Loans and receivables*.

Loans and receivables increased by $19,456 million as at December 31, 2024, compared with December 31, 2023, due to **overnight repo** transactions that took place on that day. Overnight repo operations are conducted to support the effective implementation of monetary policy by injecting liquidity on an overnight basis.

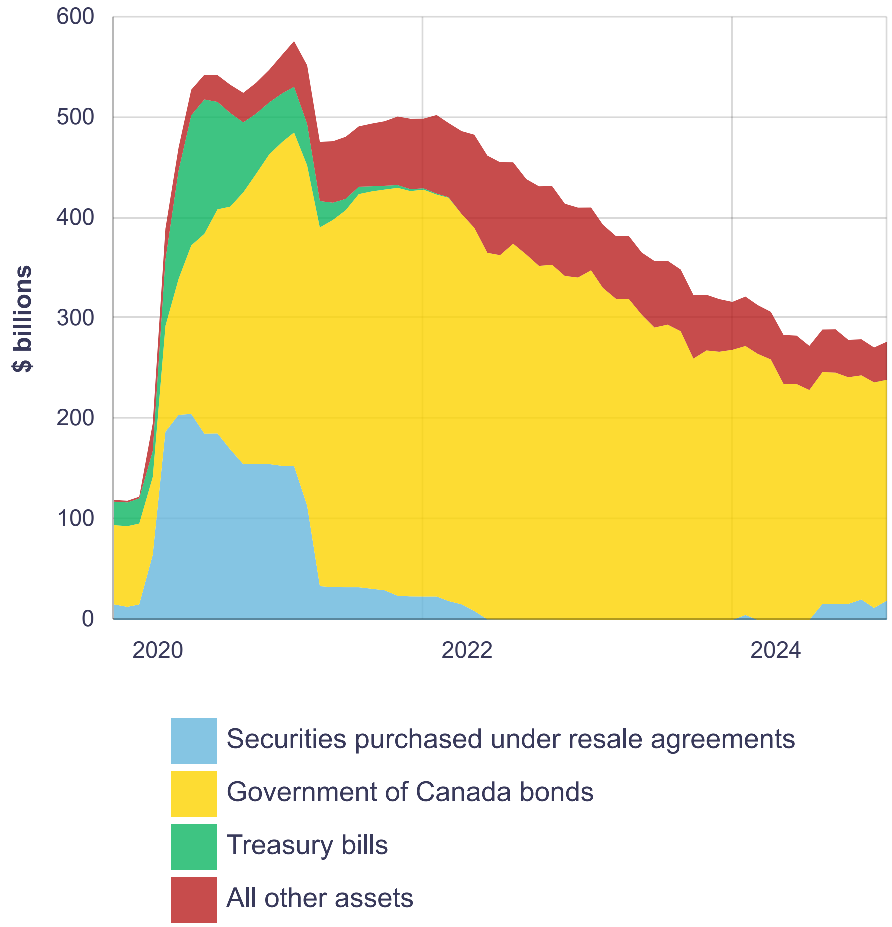
Investments decreased by 19% compared with December 31, 2023, to $236,868 million as at December 31, 2024. This decrease was driven mainly by the following movements within the Bank's holdings:

- Government of Canada securities, which include nominal bonds and real return bonds, decreased by $49,132 million during 2024. This decline is mainly due to the bonds maturing. This resulted in a decline of $33,955 million in Government of Canada bonds held at fair value and a decline of $15,177 million in Government of Canada bonds held at amortized cost.
- The Bank engages in repo operations, which provide market participants with a temporary source of Government of Canada securities and provincial bonds on an overnight basis. These operations also improve the availability of the Bank's holdings of Government of Canada securities. The **Securities Repo Operations** program was discontinued on October 1, 2024, and was replaced by the **Securities Lending Program (SLP)**, which was launched on October 2, 2024.[30] As a result, all operations that were outstanding as of December 31, 2023, matured in 2024, resulting in a decrease of $6,652 million in securities lent or sold under repurchase agreements, compared with December 31, 2023. The SLP, which is designed to support the liquidity of Government of Canada securities markets, resulted in $2,796 million of Government of Canada securities being lent as at December 31, 2024.

Derivatives—indemnity agreements with the Government of Canada refers to the indemnity agreements that were put in place to indemnify the Bank and allow it to support Government of Canada, provincial and corporate bond markets. Losses resulting from the sale of assets within the Government of Canada Bond Purchase Program, the Provincial Bond Purchase Program and the Corporate Bond Purchase Program are indemnified by the Government of Canada, whereas gains on disposal are remitted to the government. The $19,786 million balance represents the fair value of the derivatives associated with the net unrealized losses on these assets as at December 31, 2024. Derivatives decreased by $3,620 million during the year, mainly due to a slight decline in long-term bond yields and holdings. This is represented in the asset profile chart by "All other assets."

Asset profile

in billions of Canadian dollars



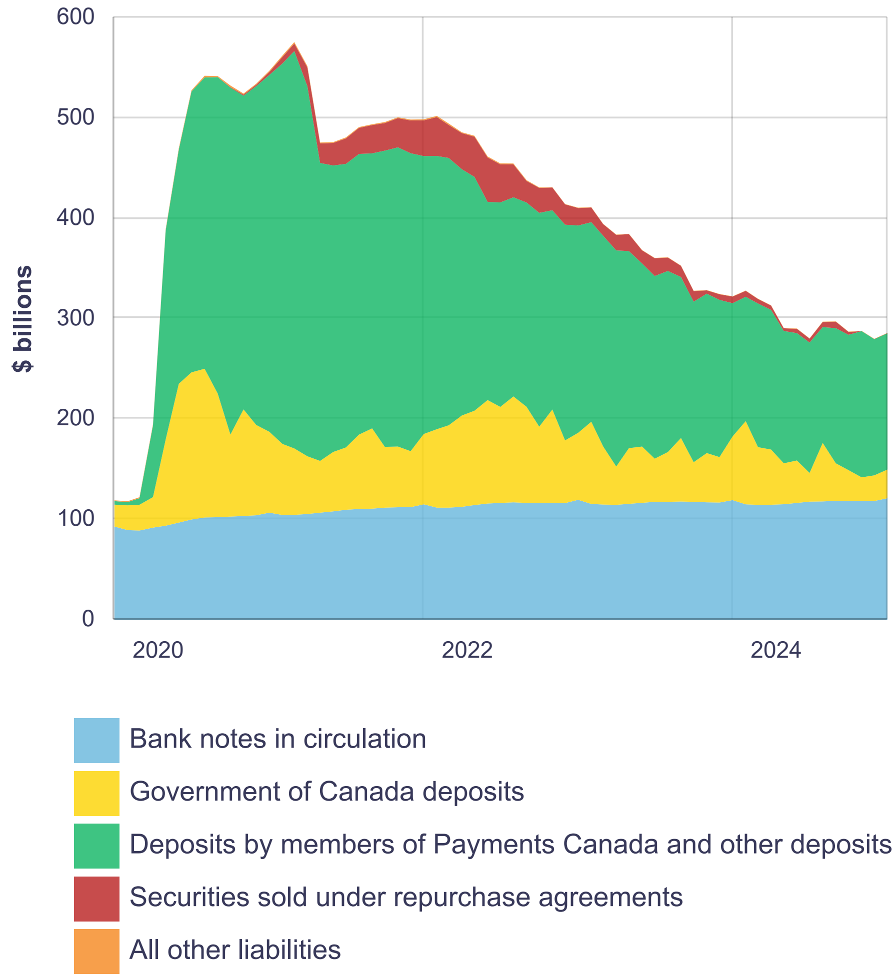
Bank notes in circulation represents approximately 42% (37% as at December 31, 2023) of the Bank's total liabilities. Bank notes in circulation increased by 2% during the year to $121,298 million as at December 31, 2024. This increase mainly reflects market demand during the year.

Deposits consists of deposits made by the Government of Canada, members of Payments Canada and others. This balance declined by 16% to $164,359 million as at December 31, 2024, compared with December 31, 2023, reflecting continued balance sheet normalization.

Securities sold under repurchase agreements were reduced to $nil during the fourth quarter of 2024, as a result of the discontinuation of the Securities Repo Operations program on October 1, 2024.

Liability profile

in billions of Canadian dollars



Deficiency increased to $8,712 million as at December 31, 2024, as a result of comprehensive losses of $2,866 million for the year. As at December 31, 2024, the accumulated deficit was $9,817 million. *Deficiency* also includes the following offsetting amounts: $5 million of authorized share capital, a special reserve of $100 million, an investment revaluation reserve of $547 million and an actuarial gains reserve of $453 million, each as at December 31, 2024. Refer to Note 14 in the financial statements for more information.

Results of operations

Condensed results of operations
(in millions of Canadian dollars)

For the year ended December 31	2024	2023
Interest revenue	3,620	3,850
Interest expense	(6,017)	(8,826)
Net interest expense	(2,397)	(4,976)
Other revenue	23	14
Total loss before operating expenses	(2,374)	(4,962)
Total operating expenses	(705)	(690)
Net loss	(3,079)	(5,652)
Other comprehensive income (loss)	213	(97)
Comprehensive loss	(2,866)	(5,749)

The Bank incurred a net loss of $3,079 million for the year, primarily because the interest expense incurred on deposits was greater than the interest earned on investments. This net interest expense on deposits was a result of the Bank increasing its policy rate from 0.25% in the first quarter of 2022 to a peak of 5.00% in the third quarter of 2023 before gradually reducing it to 3.25% in the fourth quarter of 2024. In time, the Bank will resume generating net income. The net losses do not affect the Bank's ability to carry out its mandate.

Interest revenue depends on market conditions, the impact of those conditions on the interest-bearing assets held on the Bank's balance sheet, and the volume and blend of these assets. The Bank earns interest on its investments in Government of Canada securities, on securities purchased under resale agreements (if any) and on assets acquired through large-scale asset purchase programs. In 2024, interest revenue decreased by $230 million (or 6%) compared with 2023. This decline was the result of the Bank's lower average holding of interest-yielding investments throughout the year, which was partially offset by a slight increase in the average yield on investments.

Interest expense consists mainly of interest incurred on deposits held by the Bank. During the year, the interest expense decreased by $2,809 million (or 32%) compared with 2023, resulting from a lower average volume of deposits and a decrease in interest rates during the year.

Operating expense in 2024 increased by $15 million (or 2%) compared with 2023. This primarily reflects an increase in costs for staff and for technology and telecommunications; the increase was partially offset by a decrease in costs for bank note research, production and processing as well as for other operating expenses.

- *Staff costs* increased by $63 million (or 19%) during the year, compared with 2023, as a result of the following:
    - Salary costs increased by $20 million (or 8%) because positions were filled to deliver the Bank's core functions, including the new function of retail payments supervision, and due to annual compensation adjustments.
    - Benefits and other staff costs increased by $43 million (or 55%), primarily due to growth in current costs related to the Bank's defined-benefit pension plans and increased premiums for health benefits. The Bank's deferred employee benefits related to the defined-benefit pension plans increased due to a change in the discount rate (the interest rate used to calculate the present value of future pension payments to employees).[31] As market interest rates fluctuate, the discount rate is adjusted accordingly in the calculation.
- *Bank note research, production and processing* expenses decreased by $42 million (or 81%) compared with 2023. This decrease was driven by a decline in the volume of bank notes being printed, which varies from one year to the next based on the annual production plan and market demand.
- *Technology and telecommunications* costs increased by $13 million (or 12%) compared with 2023. This increase was driven by the Bank's continued focus on strengthening the resilience of its information technology systems and by technology costs to build the Bank's new retail payments supervision system.
- *Other operating expenses* decreased by $16 million (or 21%) compared with 2023. This decline was driven primarily by the completion in 2023 of the Bank's outsourced operational contract for the Unclaimed Properties Office and the Bank's shift to internal solutions for 2024.

Other comprehensive income for the year was $213 million. It includes a remeasurement gain of $129 million on the Bank's defined-benefit plans, which is due mainly to an increase in the fair value of the plans' assets and increases in discount rates.[32] It also includes an $84 million increase in the fair value of the Bank's investment in the Bank for International Settlements.

Looking ahead through 2025

The Bank's 2025 Plan
(in millions of Canadian dollars)

	2025 budget	
For the year ended December 31	**$**	**%**
Staff costs	431	55
Bank note research, production and processing	39	5
Premises costs	36	5
Technology and telecommunications	127	16
Depreciation and amortization	72	9
Other operating expenses	82	10
Total operating expenses	787	100

The year 2025 represents the first year of the Bank's 2025–27 strategic plan, ***Canadians Count on Us***. The Bank's financial management framework enables decisions about allocating resources to achieve the Bank's objectives and mitigate risks in a prudent fiscal manner.[4]

Staff costs continues to represent the largest portion of the Bank's expenditures, while production costs for bank notes are expected to increase due to a higher volume of new notes required in 2025. Other expenditures include the cost to fulfill the Bank's core functions, enhance systems and tools to support operations, manage risk, sustain the Bank's resilience posture and prepare for the future.

Accounting and control matters

For details of the Bank's financial reporting framework and accounting matters, refer to the annual **financial statements**.

Internal control over financial reporting

The Bank maintains a framework to evaluate the design and effectiveness of internal controls over financial reporting. This framework includes disclosure controls and procedures to provide reasonable assurance about the reliability of financial reporting and the preparation of the financial statements in accordance with International Financial Reporting Standards. Every year, the Bank certifies its internal controls over financial reporting. This process is based on the Internal Control–Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission and on the Control Objectives for Information and Related Technologies framework.

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1. The SLP provides market participants with a temporary source of Government of Canada nominal bonds and treasury bills. As part of this program, the Bank makes a portion of its holdings of these securities available on an overnight basis through daily securities lending operations.[←]

2. Deferred employee benefits (DEB) are primarily retirement benefits that employees have earned during their time at the Bank but will receive in the future, after they retire or leave. To estimate the DEB, several assumptions are used, one of which is the discount rate. The discount rate is an interest rate used to calculate the present value of future pension payments. The discount rates used to calculate the pension benefit plans and other benefit plan expenses ranged from 5.0% to 5.1% for 2023 and were 4.6% for 2024. This decrease will result in increased benefit costs for 2024, all else being equal.[←]

3. The net defined-benefit obligations are measured using the discount rate in effect as at the period-end. The rate applicable to the defined-benefit obligation as at December 31, 2024, was a range of 4.6% to 4.8% (4.6% as at December 31, 2023). See Note 12 in the financial statements for more information.[←]

4. The Bank's forecasts for its operations do not include projections of net income and financial position. Such projections would require assumptions about interest rates, which could be interpreted as a signal of future monetary policy.[←]

Driving decisions with data

The Bank of Canada relies on data to fulfill its mandate. In 2024, it used information from a broad, diverse and growing set of sources to inform how it:

- sets monetary policy and fosters a stable and efficient financial system
- deploys core operations essential to the economy
- manages risk
- ensures the effective and responsible use of its resources

The Bank also continued to evolve its operations in response to rapid changes in the data landscape. These efforts have enabled the Bank to:

- make more effective use of available data
- reduce potential risks related to data and technology
- prepare for future priorities that use data, analytics and models

Using diverse data to deliver on the Bank's mandate

Historically, the Bank relied on standard macroeconomic statistics and data to inform monetary policy. Today, it leverages a much wider variety of information in its analysis.

Embracing new forms of data to generate rich insights

Rapid growth in the volume and variety of available information has enabled the Bank to inform its decisions with data that are more diverse, granular and timely. For example, the Bank has increasingly used:

- job posting data and labour market microdata to better understand labour market dynamics, including wage growth—an important consideration for inflation
- microdata on the distribution and characteristics of household and business debt to enhance its assessment of financial stability risks

- granular data on financial markets to gain a deeper understanding of how these markets function and the potential risks they face

These data fuel research and analysis that help Bank staff to generate rich, detailed insights. These insights are valuable for setting monetary policy and monitoring financial system stability during periods of crisis and complex change.

Surveying Canadians to develop a more complete picture

The Bank supplements data from other sources by conducting surveys of participants in the Canadian economy and financial system. These surveys include the:

- **Business Outlook Survey**
- **Business Leaders' Pulse**
- **Canadian Survey of Consumer Expectations**
- **Market Participants Survey**
- **Senior Loan Officer Survey**
- **Financial System Survey**
- **Survey of Indigenous Firms**

Surveys enable the Bank to collect a variety of information relevant to monetary policy and financial stability. At the same time, they support the Bank's ongoing dialogue with Canadians.

Building strong foundations to do more with data

To ensure it can fully realize the benefits of new and non-traditional forms of data, the Bank has been investing in expanding its data holdings. It continually introduces new tools and technologies to support data analysis. This includes the renewal of the Bank's technical infrastructure to:

- improve data accessibility and ease of analysis
- support economic models that are more computationally intensive
- enable collaboration with external partners

Managing the risks that come with the benefits

Although novel datasets and advanced analytics offer significant benefits and opportunities, they also come with risks that must be managed proactively. In 2024, the Bank updated its risk management and governance processes for using data and adopting advanced tools such as artificial intelligence.

The Bank's risk management in this area includes ongoing investment in cyber security and resilience to protect its data and technology from threats and outages.

Working with partners on the collection and management of data

The Bank is a major user of data and statistics from both public and private providers. It works closely with those providers to ensure it continues to receive high-quality data in a timely manner. Ongoing work with Statistics Canada allows the Bank to:

- stay up to date on the evolution of major statistical programs
- develop a detailed understanding of these statistics
- provide input on priorities for major Canadian statistical programs

The Bank works closely with the Office of the Superintendent of Financial Institutions and the Canada Deposit Insurance Corporation on the collection and management of regulatory data. This collaboration ensures the consistency of the data that the Bank and its partners rely on to meet their respective mandates.

The Bank also collaborates with global partners on large-scale statistical programs that:

- harmonize measurement to make statistics easy to compare across countries
- integrate data from across jurisdictions to create a coherent global picture

Providing Canadians with access to the Bank's data

The Bank shares the essential data it uses in its analysis, including through its website, flagship publications, staff analytical notes and other research.

In 2024, the Bank began publishing its ***Monetary Policy Report*** in a digital format. The interactive report allows Canadians to explore the data and statistics that support monetary policy decisions.

The Bank promotes operational transparency by publishing a range of data and statistics, including its **weekly balance sheet**, auction outcomes and counterfeit statistics. As well, the Bank supports the functioning of financial markets by compiling and publishing data such as the **Canadian Overnight Repo Rate Average** as well as exchange and interest rates.

Central to the Bank's commitment to data transparency are its web services. These make it possible for Canadians to download a range of economic and financial data and statistics. The Bank's **Valet API** receives over 500,000 public requests for data daily. It provides access to approximately 12,500 series and 4.5 million data observations.

Making connections

In 2024, members of the Bank of Canada's Governing Council travelled to communities across the country and met with a wide range of people. These efforts are part of the Bank's commitment to listen to Canadians and explain its work.

Outreach visits give the Bank's decision-makers the opportunity to hear first-hand from Canadians representing different regions and economic sectors. Members of Governing Council sought perspectives on the evolution of the economy and answered questions about how the Bank sets monetary policy.

Through these visits, the Bank gained a deeper understanding of the experiences of people in different parts of the country. These insights continue to inform the Bank's work.

Meeting with communities across Canada

In 2024, Governing Council members participated in 15 outreach trips across the country, striking a balance between urban and rural areas. To make the most of each visit, members attended a variety of events at each destination. In all, the Bank participated in:

- 45 bilateral meetings with local officials, Indigenous groups, union leaders and business executives
- 28 round tables with business leaders, economic development associations and civil society groups
- 12 media interviews and press conferences
- 11 visits to a company's operations
- 14 speeches, presentations and informal Q&A sessions

Governor Macklem

- Vancouver, BC
- Winnipeg, MB
- Montreal, QC

Deputy Governor Gravelle

- Red Deer, AB
- Toronto, ON

Deputy Governor Vincent

- Sherbrooke, QC
- Rimouski, QC

Senior Deputy Governor Rogers

- Vancouver, BC
- Edmonton, AB
- Toronto, ON
- Halifax, NS

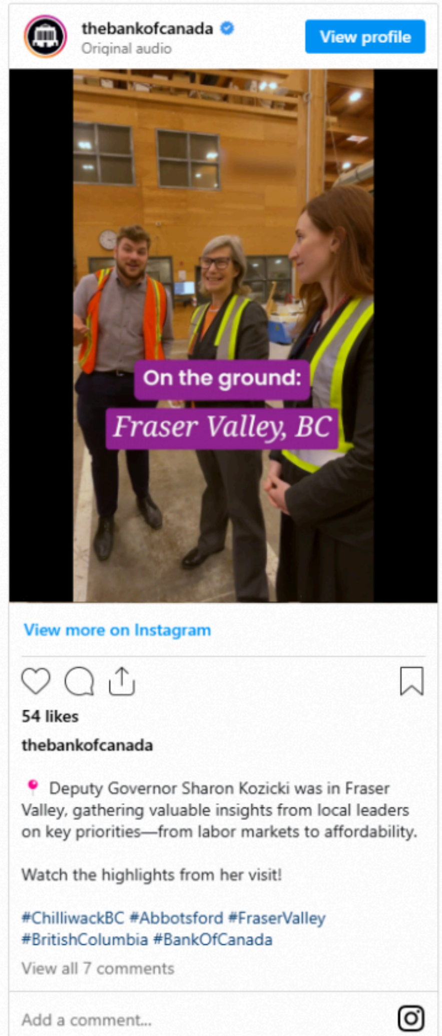
Deputy Governor Kozicki

- Abbotsford, BC
- Chilliwack, BC
- Ottawa, ON

Deputy Governor Mendes

- Oakville, ON
- St. Catharines, ON
- Charlottetown, PEI

The outreach program benefited from the advice and expertise of the Bank's regional economic directors and members of its Board of Directors (who represent all of Canada's regions).



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Using regional insights to make better decisions for Canada

The Bank's 2024 outreach trips enabled it to achieve important and interrelated objectives. These visits helped the Bank to:

- foster stronger relationships with stakeholders in all regions and sectors
- ensure that its representatives are present across all of Canada
- build awareness of the Bank's mandate and operations, through interviews with reporters from local media outlets and events with university students
- gain a fuller picture of local economies and their dynamics, giving the Bank a better understanding of each region

The Bank of Canada relies on economic and financial indicators to do its work. But connecting face-to-face with Canadians enables Governing Council members to glean information that expands on what the data tell them. The Bank benefits from hearing directly from the people who drive the economy about the pressures, trends, challenges and opportunities they face.

In 2025, members of the Bank's Governing Council will again visit different parts of Canada to hear from businesses, community leaders, Indigenous Peoples' groups and civil society. The insights they bring back will continue to inform the work the Bank does on behalf of Canadians.