

1998 1999

ANNUAL REPORT



Canada 

Published by
Department of Finance

©Minister of Public Works and Government Services 1999

Catalogue No. F35/1999
ISBN 0-662-64524-3

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Distribution Centre
Department of Finance
300 Laurier Avenue West
Ottawa, ON K1A 0G5

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Our mandate and objectives

This annual report covers fiscal year 1998-1999

To participate in the development of the government's debt strategy, to assist in the funding of public debt through the management of the retail debt program and to develop new, cost-effective retail debt products designed to diversify the retail debt portfolio and reduce risk. To do this we:

- deliver new products by enhancing and expanding the product line,
- increase access to products by making it easier for Canadians to buy them,
- deliver operational efficiency by continually improving performance.

Serving the needs of Canadians and Government

Canada Investment and Savings is one of the largest Canadian retail savings and investment providers, holding some \$29 billion in Canada Savings Bonds and Canada Premium Bonds as part of total retail holdings of all types of Government of Canada securities of \$104 billion.

Our role is to design, market and manage cost-effective Government of Canada savings and investment products for Canadian savers and investors thereby serving their needs and the needs of the government. When Canadians invest in Canada Savings Bonds, our best-known product, they are lending money to the federal government. Our products are the most secure savings and investment products Canadians can buy.

We offer unique products, such as the fully cashable Canada Savings Bonds with minimum guaranteed rates of interest that will be increased if market conditions warrant and unique ways of buying them such as at the workplace by the Payroll Savings Program.

As a Special Operating Agency of the Department of Finance we are accountable to the Minister of Finance. Each year we agree on the Agency's Business Plan and contribution to overall debt strategy, whose primary objective is to raise stable low cost funding for the government. Canada Investment and Savings adds value by diversifying the government's investor base.

Foreword by the President and Chief Executive Officer



Jacqueline C. Orange

Canada Savings Bonds (CSBs) are a household word in Canada. After 50 years of being part of our financial lives almost one-third of Canadian households own CSBs today. Familiarity however does not mean standing still. As the financial services marketplace has changed profoundly from the early days of the CSB, so too have the Government's debt objectives. From Canada Investment and Savings' launch in 1996, we have changed to keep pace with the Government's objective of maintaining a diversified investor base and a reasonable level of retail holdings while still meeting the needs of Canadian savers and investors.

This 1998-1999 annual report, our second, reports on our continued progress.

During the fiscal year 1998-1999 many plans and programs in the making for several years started to bear fruit. Customers had told us they wanted the CSB to change and this year we continued to listen to Canadians as we introduced, to strong demand, the less cashable and higher rate Canada Premium Bond; almost 50 per cent of total sales were in the new bond, a remarkable showing for a new product introduction. We also successfully piloted an extended sales period, with two products on sale at the same time, from October 5, 1998 to April 1, 1999, responding to the desire of Canadians to have more flexibility to buy their bonds. And for those choosing to purchase their bonds at the workplace, we continued the rollout of our new modernized Payroll Savings Program. It was the winner of a Distinction '98 Gold Medal from the Society of Canadian Office Automation Professionals. About 50 per cent of our payroll sales are through this new Payroll Savings Program. We welcomed several large companies back to the program this year – notably DaimlerChrysler Canada – and held sales even this year after ten years of decline.

The changes on the product and distribution front were matched by strong results from the launch of the New Canada Savings Bonds marketing campaign with the theme "You're on solid ground", as we continued to reap

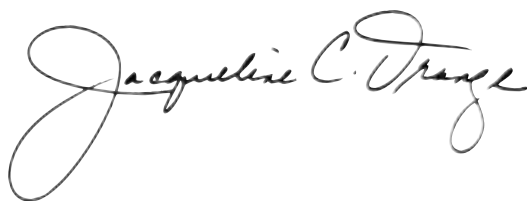
the benefits of more integrated marketing. Two of our television commercials went on to win Mobius advertising awards, but more importantly, customers told us that they saw and liked the changes we were making.

Meeting the needs of Canadians requires continued investment in infrastructure, especially systems and support. Over the past several years, after careful study, we set in place a firm system foundation on which to build and provide the flexibility to cater to changing needs. A new bond register, upgraded Call Centre capability and payroll systems were all necessary and overdue investments that ultimately will provide better customer service, more efficiently.

Most importantly, these initiatives resulted in Canada Investment and Savings (CI&S) achieving the goal of maintaining a reasonable retail share of the government's total market debt while providing cost-effective funding for Canadian government operations. Our retail share of the federal market debt moved from 22 per cent in 1997-1998 to 23 per cent in 1998-1999.

In 1999-2000 we will continue to improve the products we offer and how we make them available to Canadians. We cannot afford to be complacent and have to work hard to meet the needs of Canadians while building the capability of our Agency for the future. Trading on 50 years of CSB familiarity will not be enough.

Thanks are due to the many people and organizations that helped make 1998-1999 a success. The Bank of Canada continues to deliver our support and operational systems at a high standard of service level. The dedication of the CI&S staff has been vital the past year. The Department of Finance has again shown its support and help in these early years and its thoughtful guidance is much appreciated. Finally, and most importantly, thanks to the many millions of Canadians who have once again shown their trust in purchasing or holding our products and making them part of their, and their families' lives.



Meeting the 1998-1999 plans and priorities

As a Special Operating Agency of the Department of Finance we are fully accountable for our performance to the Minister of Finance. As part of this accountability we develop a three-year business plan and agree with the Minister to report on our performance against the agreed to plans. These are the results for 1998-1999:

Deliver new products

- The downward trend in retail debt share as a percentage of total federal market debt continued to reverse this past year with a market share improvement to 23% as at March 31, 1999.
- The Canada Premium Bond (CPB) was very successfully introduced to strong sales. The CPB offers a higher interest rate at the time of issue compared to the Canada Savings Bond (CSB) on sale at the same time and is redeemable on any anniversary of the issue date or during the 30 days thereafter without penalty. It replaces the Canada RRSP Bond that was previously available only in registered form.
- This year marked the first time in over 50 years that two products were on sale at the same time: the original CSB and the new CPB.
- Both bonds were also available within a registered retirement savings plan (RRSP) option or registered retirement income fund (RRIF) option.

Increase access to products

- As a pilot, the sales period was extended to April 1, 1999 with one new series of each bond offered each month from November 1, 1998.
- CI&S continued to implement the new Payroll Savings Program, first introduced in 1997. The streamlined system makes it easier for Canadians to purchase CSBs at their workplace. Employers offering the new Payroll Savings Program also benefit

through a substantially reduced administrative workload. The redesigned payroll system received a Distinction '98 Gold Medal from the Society of Canadian Office Automation Professionals.

- Sales were held even through the payroll channel this past year after ten years of decline.

Deliver operational efficiency

- 1998-1999 saw strong results from advertising productivity gains through integrated marketing efforts, resulting in the highly successful New Canada Savings Bonds marketing campaign. It was marked by strong sales and a change in attitude by Canadians, with a significant jump in the number of Canadians indicating the products were “for people like me”, compared to previous years. Two of our television commercials won Mobius advertising awards at the 1998 international competition in Chicago.
- Streamlining and upgrading of systems continued.
- After several years of design, the new bond register, the Retail Debt Management System (RDMS), was successfully introduced in 1998-1999 by the Bank of Canada. This new system offers a quicker and more flexible service to bondholders while reducing costs to the government.
- Upgraded Call Centre capability continued as Canadians choose to deal with us more and more by this means. From first providing an 800 number in 1995, today the Call Centre can now handle more than 6,000 calls a day, efficiently and quickly.
- Improved the new Payroll Savings Program system by upgrading application form scanning capability, and adding new electronic data communication links and payment channels, leading to increased accuracy, efficiency and customer service.
- Verifying and ensuring that all our systems are fully year 2000 compliant.

Setting 1999-2000 plans and priorities

A number of plans and priorities have been established for this fiscal year as outlined in our 1999-2000 Retail Debt Plan, released in June, 1999. Each of these initiatives is aimed at providing greater numbers of Canadians with investments that meet their individual needs, while also allowing them easier and simpler access to our products through improved distribution.

An expanded focus on youth

- CI&S launched a national youth promotion in the fall of 1999 with the objective of re-affirming New Canada Savings Bonds as savings and gifting vehicles for youth and their parents. The focus is on reaching out to youth and their parents with the resources to better understand the importance of savings. Specific activities include a Web Site geared to youth, together with a number of cooperative activities with private and public sector.

New payroll option for small- and medium-sized businesses

- Also in the fall of 1999, the new Payroll Savings Program was enhanced with a new transmission option being introduced on a pilot basis. Aimed at small- and medium-sized employers, the pilot will test an option allowing organizations sponsoring the new Payroll Savings Program to transmit their employees' purchase of CSBs through payroll deductions over the Internet.

Special Millennium Edition bond certificates

- Beginning with the January 1, 2000 issues and concluding with the December 1, 2000 issues, the CSB and CPB will have special Millennium Edition certificates to commemorate the new millennium.

Continuing six-month sales pilot for CSB and CPB

- The fall of 1998 marked the first time in more than 50 years that two Government of Canada retail products were on sale at the same time: the CSB and the new CPB. Canadians will again be able to purchase CSBs and CPBs during the six months between October 4, 1999 and April 1, 2000, on a pilot basis.

Strong results in a challenging year

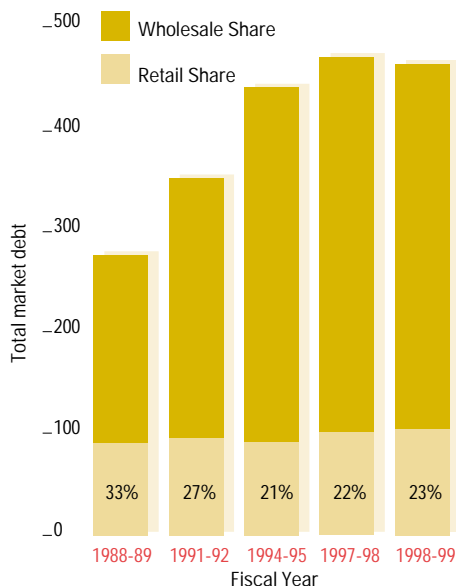
There has been a continuation of the movement by Canadians towards mutual funds and the equity markets this year, despite significant market shocks in the fall of 1998. Competition in the savings and investment market has continued unabated with established financial institutions competing vigorously against each other, as well as against newer entrants such as life insurance companies and supermarkets.

Within this overall savings and investment climate, the federal government has announced commitments to balanced budgets or better for 1999-2000 and 2000-2001. With the introduction of the Debt Repayment Plan in the 1998 budget, the federal government will continue reducing its market debt over time. However the level of debt remains significant and prudent debt management remains important. A component of this prudent debt management is to ensure that a reasonable portion of the debt is held by Canadian retail investors.

During this challenging time we have remained strongly focussed on Canadians' needs and have increased our share of federal market debt to 23 per cent. Our total sales for the year were \$5.0 billion, bringing the amount of non-marketable funds lodged with us to \$29 billion and \$104 billion when the marketable components are added in.

Retail and wholesale share of Government of Canada market debt

(\$ Billions)



Working closely with federal debt managers

We work closely with Canada's debt managers to manage the retail part of the overall public debt in a cost-effective way which minimizes risk to the federal government's overall debt portfolio and maximizes flexibility.

One of the important factors for CI&S is that costs of products sold be equivalent to the cost of issuing marketable bonds – our benchmark for cost-effective performance. The government uses two ways to borrow money to re-finance the market debt. One of these is issuing marketable instruments – marketable bonds and Treasury bills – to large financial institutions and to investors through financial intermediaries. The other is selling non-marketable bonds (i.e. CSBs and CPBs) to individual savers and investors in the retail market.

Status of retail debt portfolio

	Actuals	Actuals
<i>(Debt holdings in billions of dollars)</i>	1997-1998	1998-1999
Total retail non-marketable ⁽¹⁾	30.8	28.6
Total retail marketable direct and indirect ⁽²⁾	69.8	75.0
Total Government of Canada retail debt	100.6	103.6
Total Government of Canada market debt ⁽³⁾	467.3	460.4
Total retail as per cent of total Government of Canada market debt	22%	23%
Total gross sales of non-marketable retail debt	5.0	5.0
Change in retail non-marketable portfolio	(2.8)	(2.2)

(1) These numbers are the Bank of Canada audited numbers as of March 31, 1999. Subcategorization of Government of Canada debt is in accordance with Bank of Canada reports, which may vary slightly from Public Accounts categories due to differences in classification methods.

(2) Retail marketable debt includes two components: marketable direct (marketable Government of Canada securities directly held by individuals, most of which are marketable bonds and Treasury bills sold through intermediaries) and marketable indirect (marketable Government of Canada securities indirectly held by individuals through mutual funds. Strip bonds are also included in this category). Source: Canada Investment & Savings.

(3) Public Debt comprises market and non-market debt:

- Market debt is the portion of debt that is funded in the public markets and includes marketable bonds, Treasury bills, non-marketable retail debt (primarily Canada Savings Bonds), foreign-currency denominated bonds & bills and bonds issued to the Canada Pension Plan.
- Non-market debt includes the government's internal debt which is for the most part federal public sector pension liabilities and the government's current liabilities (such as accounts payable, accrued liabilities, interest and payment of matured debt). Source: Department of Finance.

Providing more choices and options

CI&S was created to develop new cost-effective retail debt products and to increase access to both new and existing products. With the 1998 fall sales campaign Canadians saw more choices and options from the organization known for Canada Savings Bonds, than ever before.

New higher interest Canada Premium Bond

As Canadians turned on their televisions or opened their daily newspaper in October 1998, they saw for the first time two retail products on sale by the Government of Canada: the original Canada Savings Bond and the new higher interest rate Canada Premium Bond. Choice was suddenly available in products; one the fully cashable and long trusted CSB, the other the higher interest but less cashable Canada Premium Bond. Choice was also provided in other options, both had RRSP and RRIF options, and in when to buy them, with a longer sales period to April 1, 1999.

These new choices and options clearly met Canadians' needs. The Canada Premium Bond was introduced to very strong sales, accounting for almost 50% of total sales through to March 31, 1999.

Changing the way Canadians invest through the workplace

For most of the 1990's, the Government of Canada faced continued erosion of participants in the Payroll Savings Program as employers opted out of the plan because of the administrative burden and growing costs to maintain the Program.

In October 1997, CI&S, the Bank of Canada and its partners completely changed the way working Canadians can invest in their country. The re-engineering effort involved replacing the outmoded, administratively burdensome procedures with more efficient processes supported by improved Information Technology (IT) and a revamped operating infrastructure.

Under the new Payroll Savings Program, employers are responsible only for promotion and processing the initial – and only – application form. Once processed, employees deal directly with the Bank of Canada for most things. Administrative services such as certificate distribution, cancellation and loan administration were eliminated.

For employees, the benefits are substantial. The one application now establishes a permanent, portable plan that continues even if contributions are suspended. Interest accrues to each employee's plan immediately upon receipt of the funds. Employees now have easier, immediate and confidential toll-free access to their funds. Withdrawals are transacted immediately over the telephone with direct deposit to client bank accounts within 2 business days. Employees also have a Registered Retirement Savings Plan option.

With approximately 50 per cent of the original program converted to the new program, and an active sales program to attract new companies, more and more Canadians are taking advantage of the new Payroll Savings Program. Sales through the Payroll Savings Program of \$1.4 billion in 1998-1999 indicate a turnaround after a decade of decline.



Distinction '98 Gold Medal
"Outstanding leadership,
innovation and excellence in
the use of information technology"
for the development of the new
Payroll Savings Program system

Listening and responding to Canadians

Our customers have shown great loyalty to the Canada Savings Bond. A product trusted for over 50 years, the CSB has shown remarkable strength in a market place increasingly dominated by mutual funds. By the early 1990's however the downward sales trends indicated that Canada Savings Bonds needed to change.

Listening to Canadians

A key Canada Investment and Savings' business activity has been market research among Canadians. Research has been an important tool for developing our product line and has introduced new ways of buying and selling our products and provided more choice and options to Canadians. Research has also provided a basis for further improving our level of service and communication.

We have carried out comprehensive research among existing and potential customers, covering what sort of benefits they want from our products, what sort of values they expect from Canada Investment and Savings and how they would like to do business with us. Only by listening to Canadians can we identify what our strengths and weaknesses are from Canadians' points of view and ensure taxpayers receive good value.

Communicating change

Canada Investment and Savings is currently undergoing a great deal of change. All of this is necessary to help maintain a competitive position in the marketplace, meet Canadians' expectations and provide a cost-effective source of funds for the Government of Canada.

In 1998-1999, we developed an integrated marketing communications plan that communicated many of these changes to Canadians. Building on the Canada Savings Bond brand we launched "New Canada Savings Bonds, now with more choices and more options". Two television commercials spoke of the values Canadians had told us were important, family and hard work, and the link to our

products. The sales results spoke of the success of this integrated marketing communication, but so did the two Mobius advertising awards in the Financial Services' category among 5,000 entrants from 37 countries. A marked change in attitude towards our products was also realized as many more Canadians indicated that the bonds were "for people like me", as compared to previous years.



Customer care

Canada Investment and Savings is committed to providing good service to Canadians. It is our responsibility to look after their money with utmost care.

As part of this responsibility, we agreed with the Bank of Canada on the standard for speed and accuracy with which we deal with our customers' business including maintaining bondholder records, managing sales agent and payroll employer relationships, processing purchases and payments and providing direct customer services through our Call Centre and web site.

With our drive towards continuous improvement, we have begun to establish targets to measure the accuracy of our customer communications and levels of satisfaction with how we dealt with their business. In the new Payroll Savings Program, our first area of focus, we exceeded 95% "very satisfied" levels with employees and employers in a large cross sectional survey of our customers.

What are the rates? – helpful information at the end of the phone

Our Call Centre is the first place to which many Canadians turn, whether a new customer to find out what products we offer or an existing customer to check on their bond holdings. In 1998-1999 the Call Centre handled more than 800,000 calls and sent out more than 35,000 information and sales kits. These calls represent a 60% increase in volume from the previous year, much of which is attributable to the continued roll out of the new Payroll Savings Program. Despite increasing our call handling capacity by 40% this past year, our service level standard of 80% of calls answered within 20 seconds and an abandoned rate of no greater than 2%, suffered during the peak October 1998 demand with an unexpected increase in inquiries about the fall campaign, resulting in demand exceeding our call handling capacity.

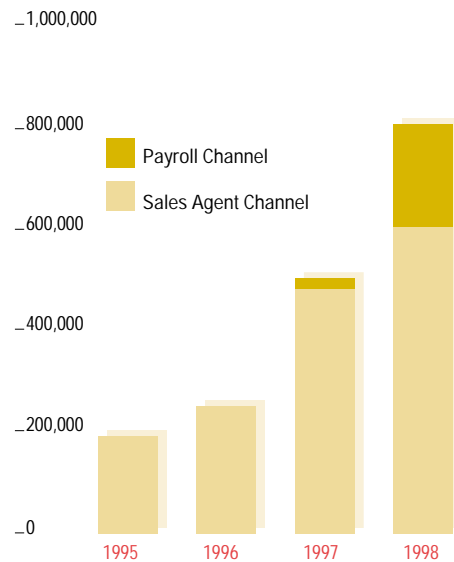
We have begun a study to enhance existing Call Centre computer technology and to improve our ability to meet increasing call volumes by adding new features such as Interactive Voice Response (IVR) and fax on demand.

The Call Centre is open 8 am to 8 pm Eastern Time, Mondays to Fridays and on Saturdays during the peak campaign time in October. Outside these hours an automated service gives customers interest rate information, when we're on sale, as well as the ability to leave a message. To further increase access we also have a TTY service for the deaf and hearing impaired as well as fax.

Training

To deliver consistently high standards of customer service staff need to be trained with the right skills. CI&S and the Bank of Canada have placed a high emphasis on proper training and staff development. In 1998-1999 training took on greater significance than usual with more product and service choices and options and the introduction of a new registry system at the Bank of Canada. Substantial investment was made in training with about 100 workshops conducted on the new bond registry system and new products.

Handling more phone calls



Preparing for the future

Today, Canada Investment and Savings cannot afford to be complacent and we have to work hard to build on the trust bestowed on us by Canadians. We must provide an ever improving level of service which meets the needs of our customers – both Canadians and taxpayers.

In 1998-1999, we continued to put in place the foundations to equip us for a secure future, balancing good service to Canadians, with good value to the government.

New and streamlined systems

CI&S and Bank of Canada systems for processing customers' transactions and safeguarding their funds are robust. As new products and new ways of buying have been introduced, the original register was no longer capable of handling the increased requirements. The implementation of the new register, the Retail Debt Management System (RDMS) was a major undertaking in 1998-1999. By calendar year-end 1998 however, the system was successfully in place with early service level difficulties, especially in timely delivery of bond certificates for the new Canada Premium Bond, resolved.

Additional investment was made in the register supporting the new Payroll Savings Program system, the Direct Retail Sales (DRS), with an improved version introduced this past year and investments made in Intelligent Forms Processing Systems allowing us to process payroll application forms more quickly and efficiently, with fewer errors.

We have made excellent progress in streamlining and improving our systems capabilities but further investments will be required. Ultimately these investments will offer Canadians a quicker and more flexible service and at the same time reduce the cost to Canadian taxpayers.

As well, in 1998-1999 the Call Centre was reorganized in teams according to specific call type. As members of teams, Client Representatives took larger ownership of their areas and were more accountable for servicing a specific type of call. Processes were also improved.



Management team

From left to right:

Louise Montague, *Vice President,
Sales and Distribution*

Chantale Cousineau-Mahoney,
Vice President, Corporate Services

Jacqueline Orange, *President and CEO*

Clifford Prupas, *Vice President,
Product Management*

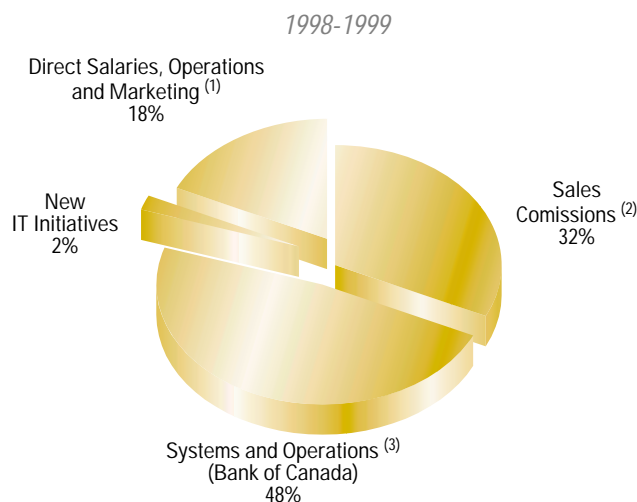
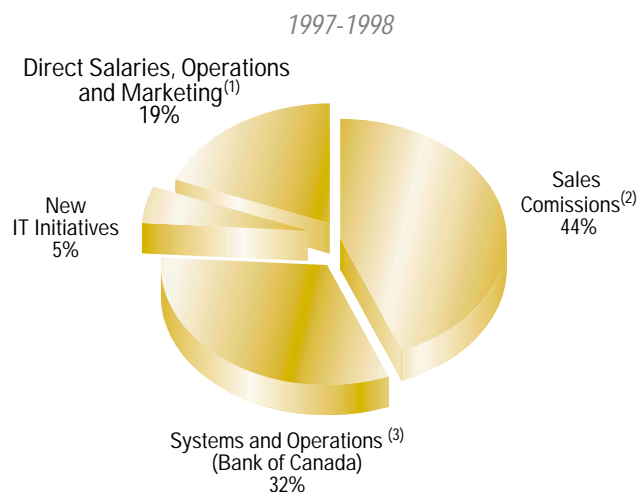
Paul Bailey, *Vice President,
Marketing Services*



1998-1999 Honorary National Campaign Chair for New Canada Savings Bonds Payroll Program

Lynton R. Wilson, Chairman of the Board, BCE Inc. was appointed by federal Finance Minister Paul Martin as the first Honorary National Campaign Chair of the New Canada Savings Bonds Payroll campaign. In this capacity, he worked together with President and CEO Jacqueline Orange to increase awareness among Canadians about the importance of saving. He also helped to develop new relationships with employers across Canada to provide more Canadians with the opportunity to put money aside on a regular basis.

Expenditure Breakdown, 1997-1998 and 1998-1999



(1) Marketing costs related to advertising were \$13.4M in 1997-1998 and \$11.5M in 1998-1999; Bank of Canada Distribution, Publishing & Printing, \$4M in 1997-1998 and \$4.6M in 1998-1999; and Market Research in 1997-1998 and 1998-1999 was \$0.8M.

(2) Includes the payroll sales force remuneration, financial institution commissions, redemption fees and amortized sales commissions from previous years.

(3) New IT initiatives are reported as a separate expenditure item this year. They were included in the Systems and Operations expenditures (Bank of Canada) in 1997-1998 Annual Report.

Summary of Budget Expenditures

(in thousands of dollars)

Fiscal Year	1997-1998 (Actuals)	1998-1999 (Planned)	1998-1999 (Actuals)
Canada Investment and Savings			
Direct controllable expenses	24,091	28,805	25,312
New technology investment and special studies ⁽¹⁾	7,109	3,140	2,028
Sub-total – CI&S non-variable controllable costs	31,200	31,945	27,340
Commissions and sales force remuneration	54,821	52,000	44,380 ⁽²⁾
Total – CI&S non-variable and variable costs	86,021	83,945	71,720
Bank of Canada			
Systems and Operations	40,562	67,370 ⁽³⁾	65,667
Total – Retail debt program expenditures	126,583	151,315	137,387

(1) These expenditures, paid directly from CI&S' budget, are undertaken directly by CI&S or through the Bank of Canada.

(2) Includes the sales force remuneration, commissions, redemption fees and amortized sales commissions from previous years. This expenditure item is lower than forecast (\$44 million versus a forecast of \$52 million) due to lower than expected redemptions, lower amortized sales commissions, and savings generated through the new compensation package.

(3) The increase in planned expenditures was required by the Bank of Canada to cover additional costs related to Y2K, LAN and network environment and system development costs, and increased mainframe usage, as well as an increase in operational costs related to the New Canada Savings Bonds Payroll Program.

Our products

Canada Premium Bonds

Canada Premium Bonds are fully guaranteed by the Government of Canada and offer a higher rate of interest at time of issue than the original Canada Savings Bonds on sale at the same time. And Canada Premium Bonds can be redeemed once a year on the anniversary date and during the 30 days thereafter without penalty.

Canada Savings Bonds

With guaranteed returns and the option of redeeming at anytime, Canada Savings Bonds provide both maximum security and maximum flexibility. They're fully backed by the Government of Canada with rates of interest that will be increased when market conditions warrant. They can also be bought through convenient payroll deduction.

RRSP & RRIF options

Both the Canada Savings Bond and Canada Premium Bond come with no fee RRSP and RRIF options. So all the security of the bonds is combined with all the benefits of an RRSP or RRIF.

In addition, you can generally purchase the following investments through an investment dealer or as part of a mutual fund:

Marketable bonds

Marketable Government of Canada Bonds are usually issued for terms of more than one year and have fixed semi-annual interest payments. The bonds are non-cashable prior to maturity but they can be bought and sold at market prices that vary from day to day. They can be purchased or sold at either a premium or a discount to the face value of the bond, depending on interest rates. You can find bonds in the marketplace with remaining terms to maturities ranging from one month to 30 years.

Treasury bills

Treasury bills are marketable securities that are issued periodically with terms of 98 days, 182 days and 364 days. Treasury bills are usually sold at a discount to the principal amount and mature to the face value of the bill. Like marketable bonds, these bonds cannot be cashed prior to maturity, but they too can be bought and sold at market prices that vary day to day.

Real Return Bonds

This product features fixed semi-annual interest payments, adjusted in relation to the Consumer Price Index (CPI) for Canada. These bonds are stable and protect you against inflation over the long term. These bonds can't be cashed prior to maturity, but they can be bought and sold at market prices, which vary according to changes in real yields and fluctuations in the CPI.

Definitions of debt terms used in this annual report

Public debt is the outstanding financial obligations of the Government of Canada, including both market and non-market debt.

Market debt is the portion of debt that is funded in the public markets and includes marketable bonds, Treasury bills, non-marketable debt (primarily Canada Savings Bonds), foreign-currency denominated bonds and bills and bonds issued to the Canada Pension Plan.

Non-market debt includes the government's internal debt which is for the most part federal public sector pension liabilities and the government's current liabilities (such as accounts payable, accrued liabilities, interest and payment of matured debt).

Retail debt includes those Government of Canada securities held by individual Canadians. There are two principal categories: non-marketable securities which include Canada Savings Bonds and Canada Premium Bonds (formerly Canada RRSP Bonds) and marketable securities which include Real Return Bonds, marketable bonds and Treasury bills.

Ways of doing business with us

We offer a range of ways for Canadians to do business with us.

Financial Institutions

During the annual sales campaign, New Canada Savings Bonds can be purchased wherever Canadians bank or invest, including banks and trust companies, investment dealers, savings and loan companies and credit unions.

The workplace through convenient payroll deduction

Canada Savings Bonds can be purchased by regular payroll deduction from sponsoring organizations through the New Canada Savings Bonds Payroll Program. The money is taken off employees' pay cheques on a regular basis. It is particularly helpful for those who have a hard time saving. It is by far the largest periodic savings program in the country and serves the needs of about 1 million Canadians each year.

Independent financial planners and advisors

New Canada Savings Bonds can be purchased through qualified sub-agents, such as financial planners.

Telephone

Canadians can request an application form by calling toll free 1-800-575-5151 and mailing a cheque together with the completed application form to us by mail during any sales campaign. In 1999-2000 we will offer a pilot program to give Canadians the opportunity to buy Canada Savings Bonds and Canada Premium Bonds directly from us by telephone.

Internet

During 1999-2000 we have been developing an Internet site which will make it easier for Canadian savers and investors to choose the product that is right for them. The new site now offers full information on our products. The site also has a special section for sales agents, giving them ready access to up-to-date information on CI&S' full product range.

How to contact us

If you have any questions, please do not hesitate to call us at 1-800-575-5151, or visit our web site at www.csb.gc.ca

You can also mail us at:

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