

"3. (1) The Minister may pay to a person engaged in operating a gold mine a sum not exceeding an amount calculated in the manner prescribed in this section with respect to gold that is produced from the mine during a designated year and that, during the designated year,

(a) is sold to Her Majesty at the Royal Canadian Mint,  
or

(b) is exported from Canada, in the form of ore or ore concentrates containing gold, and sold."

All transactions relative to the Purchase Account are processed through an Open Account the details of which are on page 11:26 of the Public Accounts for 1962-63.

When the gold is received at the Mint it is called a deposit and it is at once ticketed, numbered, etc. In the 1963 calendar year 5,421 such deposits were received. Assay reports identified with the deposits follow the course of the gold through the various stages of melting and refining until it becomes granulated or a bar. There is also a quantity of gold received in the form of scrap (jewellery and dental). After it is assayed, melted down and refined, the owner receives payment from the Mint.

In the audit all gold is weighed and/or counted taking into consideration the assay reports, deposits, etc.

Nearly all the gold in the Purchase Account is sold to the Bank of Canada for the Exchange Fund Account. There are no gold coins minted. The last \$5 and \$10 gold coins were minted in 1914 and the last British sovereigns in 1919. Gold medals may be struck for Associations, etc. Dental firms purchase their supplies from mining companies.

Stocks of gold may pile up at the Mint until the Bank of Canada request further shipments. However, the Mint cannot wait until the order comes in. They buy gold when and as, it is offered to them. That is the purpose of the Open Account.

The disposition of gold refined by the Mint, in the calendar year 1963 classified as Gold Storage and Gold Purchase is as follows: